

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

February 6, 2024



American Assets Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-35030
(Commission
File No.)

27-3338708
(I.R.S. Employer
Identification No.)

3420 Carmel Mountain Road, Suite 100
San Diego, California 92121
(Address of principal executive offices and Zip Code)

(858) 350-2600
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Name of Registrant</u>	<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
American Assets Trust, Inc.	Common Stock, par value \$0.01 per share	AAT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On February 6, 2024, American Assets Trust, Inc. (the "Company") issued a press release regarding its financial results for the quarter and fiscal year ending December 31, 2023. Also on February 6, 2024, the Company made available on the "Investors" page of its website at www.americanassetstrust.com certain supplemental information concerning the Company's financial results and operations for the quarter and fiscal year ending December 31, 2023. Copies of the press release and supplemental information are attached hereto as Exhibits 99.1 and 99.2, respectively.

Exhibits 99.1 and 99.2, are being furnished pursuant to Item 2.02 and shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 7.01 Regulation FD Disclosure.

As discussed in Item 2.02 above, the Company issued a press release regarding its financial results for the quarter and fiscal year ending December 31, 2023 and made available on its website certain supplemental information relating thereto.

The information being furnished pursuant to Item 7.01 and shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

The following exhibits are filed herewith:

<u>Exhibit Number</u>	<u>Exhibit Description</u>
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99.1**	Press release issued by American Assets Trust, Inc. on February 6, 2024.
99.2**	American Assets Trust, Inc. Supplemental Information for the quarter ended December 31, 2023.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document).

** Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

American Assets Trust, Inc.

By: /s/ Robert F. Barton

Robert F. Barton

Executive Vice President, CFO

February 6, 2024



American Assets Trust, Inc. Reports Fourth Quarter and Year End 2023 Financial Results

Net income available to common stockholders of \$10.5 million and \$50.4 million for the three months and year ended December 31, 2023, respectively, or \$0.17 and \$0.84 per diluted share, respectively.

Funds from Operations ("FFO") per diluted share increased 2% and 3% year-over-year for the three months and year ended December 31, 2023, respectively, to \$0.57 and \$2.40 per diluted share, respectively.

Introducing 2024 annual guidance midpoint of \$2.26 with a range of \$2.19 to \$2.33 of FFO per diluted share.

SAN DIEGO, California - 2/6/2024 - American Assets Trust, Inc. (NYSE: AAT) (the "company") today reported financial results for its fourth quarter and year ended December 31, 2023.

Fourth Quarter Highlights

- Net income available to common stockholders of \$10.5 million and \$50.4 million for the three months and year ended December 31, 2023, respectively, or \$0.17 and \$0.84 per diluted share, respectively.
- FFO increased 2% and 3% year-over-year to \$0.57 and \$2.40 per diluted share for the three months and year ended December 31, 2023, respectively, compared to the same periods in 2022.
- Same-store cash Net Operating Income ("NOI") increased 2.6% and 4.5% year-over-year for the three months and year ended December 31, 2023, respectively, compared to the same periods in 2022.
- Introducing 2024 annual guidance midpoint of \$2.26 with a range of \$2.19 to \$2.33 of FFO per diluted share.
- Leased approximately 23,000 comparable office square feet at an average straight-line basis and cash-basis contractual rent increase of 30% and 22%, respectively, during the fourth quarter.
- Leased approximately 108,000 comparable retail square feet at an average straight-line basis and cash-basis contractual rent increase of 13% and 7%, respectively, during the fourth quarter.

Financial Results

(Unaudited, amounts in thousands, except per share data)

	Three Months Ended December 31		Year Ended December 31,	
	2023	2022	2023	2022
Net income attributable to American Assets Trust, Inc. stockholders	\$ 10,481	\$ 9,629	\$ 50,378	\$ 43,506
Basic and diluted income attributable to common stockholders per share	\$ 0.17	\$ 0.16	\$ 0.84	\$ 0.72
FFO attributable to common stock and common units	\$ 43,210	\$ 42,334	\$ 183,441	\$ 178,574
FFO per diluted share and unit	\$ 0.57	\$ 0.56	\$ 2.40	\$ 2.34

Net income attributable to common stockholders increased \$6.9 million for the year ended December 31, 2023 compared to the same period in 2022, primarily due to (i) a \$6.3 million net settlement payment received on January 3, 2023 related to certain building systems at our Hassalo on Eighth property, (ii) a \$4.7 million net increase in our office segment primarily due to higher annualized base rents at Torrey Reserve Campus, Solana Crossing and The Landmark at One Market, (iii) a \$3.1 million net increase in our retail segment due to new tenant leases signed,

scheduled rent increases and tenants previously on alternate rent reverting back to basic monthly rent, and (iv) a \$3.1 million net increase at Waikiki Beach Walk - Embassy Suites due to increased tourism into Hawaii. These increases were offset by higher net interest expense of approximately \$6.5 million primarily due to the \$225 million Amended and Restated Term Loan Agreement and higher general and administrative expenses of \$3.8 million primarily due to an increase in employee-related costs and general legal expenses.

FFO increased \$0.9 million for the three months ended December 31, 2023 compared to the same period in 2022, primarily due to an increase in our office segment due to higher annualized base rents and an increase at Waikiki Beach Walk - Embassy Suites due to increased tourism. These increases were offset by prior year accelerated revenue recognition of tenant improvement overages, as well as higher interest expense and general and administrative expenses as described above.

FFO is a non-GAAP supplemental earnings measure which the company considers meaningful in measuring its operating performance. A reconciliation of net income to FFO is attached to this press release.

Leasing

The portfolio leased status as of the end of the indicated quarter was as follows:

	December 31, 2023	September 30, 2023	December 31, 2022
Total Portfolio			
Office	86.0%	86.8%	88.9%
Retail	94.3%	94.4%	93.5%
Multifamily	92.3%	89.5%	91.8%
Mixed-Use:			
Retail	95.1%	95.1%	93.8%
Hotel	85.2%	85.3%	76.9%
Same-Store Portfolio			
Office ⁽¹⁾	88.9%	89.7%	91.9%
Retail	94.3%	94.4%	93.5%
Multifamily	92.3%	89.5%	91.8%
Mixed-Use:			
Retail	95.1%	95.1%	93.8%
Hotel	85.2%	85.3%	76.9%

(1) Same-store office leased percentages include Bel-Spring 520 which was acquired on March 8, 2022. Same-store office leased percentages exclude (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

During the fourth quarter of 2023, the company signed 32 leases for approximately 147,200 square feet of office and retail space, as well as 505 multifamily apartment leases. Renewals accounted for 71% of the comparable office leases, 94% of the comparable retail leases, and 60% of the residential leases.

Office and Retail

On a comparable space basis (i.e. leases for which there was a former tenant) during the fourth quarter of 2023 and year ended December 31, 2023, our retail and office leasing spreads are shown below:

		Number of Leases Signed	Comparable Leased Sq. Ft.	Average Cash Basis % Change Over Prior Rent	Average Cash Contractual Rent Per Sq. Ft.	Prior Average Cash Contractual Rent Per Sq. Ft.	Straight-Line Basis % Change Over Prior Rent
Office	Q4 2023	7	23,000	22.4%	\$55.00	\$44.93	30.1%
	FY 2023	34	261,000	2.4%	\$69.92	\$68.31	10.8%
Retail	Q4 2023	18	108,000	6.8%	\$31.29	\$29.31	12.8%
	FY 2023	75	368,000	6.5%	\$34.36	\$32.08	15.4%

Multifamily

The average monthly base rent per leased unit for our multifamily properties for the fourth quarter of 2023 was \$2,654 compared to an average monthly base rent per leased unit of \$2,516 for the fourth quarter of 2022, which is an increase of approximately 5.5%.

Same-Store Cash Net Operating Income

For the three months and year ended December 31, 2023, same-store cash NOI increased 2.6% and 4.5%, respectively, compared to the three months and year ended December 31, 2022. The same-store cash NOI by segment was as follows (in thousands):

	Three Months Ended ⁽¹⁾			Year Ended ⁽²⁾		
	December 31,		Change	December 31,		Change
	2023	2022		2023	2022	
Cash Basis:						
Office	\$ 35,540	\$ 34,316	3.6 %	\$ 138,405	\$ 133,490	3.7 %
Retail	18,255	18,480	(1.2)	72,657	69,491	4.6
Multifamily	8,543	8,271	3.3	33,994	32,224	5.5
Mixed-Use	5,285	4,869	8.5	23,458	21,734	7.9
Same-store Cash NOI	\$ 67,623	\$ 65,936	2.6 %	\$ 268,514	\$ 256,939	4.5 %

(1) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

(2) Same-store portfolio excludes (i) One Beach Street, due to significant redevelopment activity; (ii) Bel-Spring 520 which was acquired on March 8, 2022; (iii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iv) land held for development.

Same-store cash NOI is a non-GAAP supplemental earnings measure which the company considers meaningful in measuring its operating performance. A reconciliation of same-store cash NOI to net income is attached to this press release.

Balance Sheet and Liquidity

At December 31, 2023, the company had gross real estate assets of \$3.7 billion and liquidity of \$482.9 million, comprised of cash and cash equivalents of \$82.9 million and \$400.0 million of availability on its line of credit. At December 31, 2023, the company had only 1 out of 31 assets encumbered by a mortgage.

Dividends

The company declared dividends on its shares of common stock of \$0.33 per share for the fourth quarter of 2023. The dividends were paid on December 21, 2023.

In addition, the company has declared a dividend on its common stock of \$0.335 per share for the first quarter of 2024. The dividend will be paid in cash on March 21, 2024 to stockholders of record on March 7, 2024.

Guidance

The company is introducing 2024 guidance for full year 2024 FFO per diluted share of \$2.19 to 2.33 per share, with a midpoint of \$2.26.

Management will discuss the company's guidance in more detail during tomorrow's earnings call. Except as discussed during the call, the company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, debt financing or repayments. The foregoing estimates are forward-looking and reflect management's view of current and future market conditions, including certain assumptions with respect to leasing activity, rental rates, occupancy levels, interest rates, credit spreads and the amount and timing of acquisition and development activities. The company's actual results may differ materially from these estimates.

Conference Call

The company will hold a conference call to discuss the results for the three months ended and year ended December 31, 2023 on Wednesday, February 7, 2024 at 8:00 a.m. Pacific Time ("PT"). To participate in the event by telephone, please dial 1-833-630-1956 and ask to join the American Assets Trust, Inc. conference call. A live on-demand audio webcast of the conference call will be available on the company's website at www.americanassetstrust.com. A replay of the call will also be available on the company's website.

Supplemental Information

Supplemental financial information regarding the company's three months and year ended December 31, 2023 results may be found on the "Financial Reporting" tab of the "Investors" page of the company's website at www.americanassetstrust.com. This supplemental information provides additional detail on items such as property occupancy, financial performance by property and debt maturity schedules.

Financial Information
American Assets Trust, Inc.
Consolidated Balance Sheets
(In Thousands, Except Share Data)

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<i>(unaudited)</i>	
Assets		
Real estate, at cost		
Operating real estate	\$ 3,502,251	\$ 3,468,537
Construction in progress	239,030	202,385
Held for development	487	547
	<u>3,741,768</u>	<u>3,671,469</u>
Accumulated depreciation	(1,036,453)	(936,913)
Real estate, net	2,705,315	2,734,556
Cash and cash equivalents	82,888	49,571
Accounts receivable, net	7,624	7,848
Deferred rent receivables, net	89,210	87,192
Other assets, net	99,644	108,714
Total assets	<u>\$ 2,984,681</u>	<u>\$ 2,987,881</u>
Liabilities and equity		
Liabilities:		
Secured notes payable, net	\$ 74,669	\$ 74,578
Unsecured notes payable, net	1,614,958	1,539,453
Unsecured line of credit, net	—	34,057
Accounts payable and accrued expenses	61,312	65,992
Security deposits payable	8,880	8,699
Other liabilities and deferred credits, net	71,187	79,577
Total liabilities	<u>1,831,006</u>	<u>1,802,356</u>
Commitments and contingencies		
Equity:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 60,895,786 and 60,718,653 shares issued and outstanding at December 31, 2023 and December 31, 2022, respectively	609	607
Additional paid-in capital	1,469,206	1,461,201
Accumulated dividends in excess of net income	(280,239)	(251,167)
Accumulated other comprehensive income	8,282	10,624
Total American Assets Trust, Inc. stockholders' equity	<u>1,197,858</u>	<u>1,221,265</u>
Noncontrolling interests	(44,183)	(35,740)
Total equity	<u>1,153,675</u>	<u>1,185,525</u>
Total liabilities and equity	<u>\$ 2,984,681</u>	<u>\$ 2,987,881</u>

American Assets Trust, Inc.
Unaudited Consolidated Statements of Operations
(In Thousands, Except Shares and Per Share Data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenue:				
Rental income	\$ 107,268	\$ 101,037	\$ 419,373	\$ 402,507
Other property income	5,223	4,963	21,791	20,141
Total revenue	112,491	106,000	441,164	422,648
Expenses:				
Rental expenses	32,673	29,209	118,801	107,645
Real estate taxes	11,039	10,595	45,156	44,788
General and administrative	9,472	9,013	35,960	32,143
Depreciation and amortization	29,908	30,110	119,500	123,338
Total operating expenses	83,092	78,927	319,417	307,914
Operating income	29,399	27,073	121,747	114,734
Interest expense, net	(16,284)	(14,565)	(64,706)	(58,232)
Other income (expense), net	377	(102)	7,649	(625)
Net income	13,492	12,406	64,690	55,877
Net income attributable to restricted shares	(193)	(184)	(761)	(648)
Net income attributable to unitholders in the Operating Partnership	(2,818)	(2,593)	(13,551)	(11,723)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 10,481	\$ 9,629	\$ 50,378	\$ 43,506
Net income per share				
Basic income attributable to common stockholders per share	\$ 0.17	\$ 0.16	\$ 0.84	\$ 0.72
Weighted average shares of common stock outstanding - basic	60,193,953	60,072,517	60,158,976	60,048,970
Diluted income attributable to common stockholders per share	\$ 0.17	\$ 0.16	\$ 0.84	\$ 0.72
Weighted average shares of common stock outstanding - diluted	76,375,490	76,254,054	76,340,513	76,230,507
Dividends declared per common share	\$ 0.33	\$ 0.32	\$ 1.32	\$ 1.28

Reconciliation of Net Income to Funds From Operations

The company's FFO attributable to common stockholders and operating partnership unitholders and reconciliation to net income is as follows (in thousands except shares and per share data, unaudited):

	Three Months Ended		Year Ended	
	December 31, 2023		December 31, 2023	
Funds From Operations (FFO)				
Net income	\$	13,492	\$	64,690
Depreciation and amortization of real estate assets		29,908		119,500
FFO, as defined by NAREIT	\$	43,400	\$	184,190
Less: Nonforfeitable dividends on restricted stock awards		(190)		(749)
FFO attributable to common stock and units	\$	43,210	\$	183,441
FFO per diluted share/unit	\$	0.57	\$	2.40
Weighted average number of common shares and units, diluted		76,381,507		76,346,772

Reconciliation of Same-Store Cash NOI to Net Income

The company's reconciliation of Same-Store Cash NOI to Net Income is as follows (in thousands, unaudited):

	Three Months Ended ⁽¹⁾		Year Ended ⁽²⁾	
	December 31,		December 31,	
	2023	2022	2023	2022
Same-store cash NOI	67,623	\$ 65,936	\$ 268,514	\$ 256,939
Non-same-store cash NOI	(432)	(271)	566	558
Tenant improvement reimbursements ⁽³⁾	505	134	1,104	3,604
Cash NOI	\$ 67,696	\$ 65,799	\$ 270,184	\$ 261,101
Non-cash revenue and other operating expenses ⁽⁴⁾	1,083	397	7,023	9,114
General and administrative	(9,472)	(9,013)	(35,960)	(32,143)
Depreciation and amortization	(29,908)	(30,110)	(119,500)	(123,338)
Interest expense, net	(16,284)	(14,565)	(64,706)	(58,232)
Other income (expense), net	377	(102)	7,649	(625)
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877
Number of properties included in same-store analysis	30	29	29	27

(1) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

(2) Same-store portfolio excludes (i) One Beach Street, due to significant redevelopment activity; (ii) Bel-Spring 520 which was acquired on March 8, 2022; (iii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iv) land held for development.

(3) Tenant improvement reimbursements are excluded from same-store cash NOI to provide a more accurate measure of operating performance.

(4) Represents adjustments related to the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances, the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, and straight-line rent expense for our lease of the Annex at The Landmark at One Market.

Reported results are preliminary and not final until the filing of the company's Form 10-K with the Securities and Exchange Commission and, therefore, remain subject to adjustment.

Use of Non-GAAP Information

Funds from Operations

The company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, impairment losses, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures.

FFO is a supplemental non-GAAP financial measure. Management uses FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring the company's operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from property dispositions, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared year-over-year, captures trends in occupancy rates, rental rates and operating costs. The company also believes that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare the company's operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of the company's properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of the company's properties, all of which have real economic effects and could materially impact the company's results from operations, the utility of FFO as a measure of the company's performance is limited. In addition, other equity REITs may not calculate FFO in accordance with the NAREIT definition as the company does, and, accordingly, the company's FFO may not be comparable to such other REITs' FFO. Accordingly, FFO should be considered only as a supplement to net income as a measure of the company's performance. FFO should not be used as a measure of the company's liquidity, nor is it indicative of funds available to fund the company's cash needs, including the company's ability to pay dividends or service indebtedness. FFO also should not be used as a supplement to or substitute for cash flow from operating activities computed in accordance with GAAP.

Cash Net Operating Income

The company uses NOI internally to evaluate and compare the operating performance of the company's properties. The company believes cash NOI provides useful information to investors regarding the company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the company's properties as this measure is not affected by (1) the non-cash revenue and expense recognition items, (2) the cost of funds of the property owner, (3) the impact of depreciation and amortization expenses as well as gains or losses from the sale of operating real estate assets that are included in net income computed in accordance with GAAP or (4) general and administrative expenses and other gains and losses that are specific to the property owner. The company believes the exclusion of these items from net income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the company's properties as well as trends in occupancy rates, rental rates and operating costs. Cash NOI is a measure of the operating performance of the company's properties but does not measure the company's performance as a whole. Cash NOI is therefore not a substitute for net income as computed in accordance with GAAP.

Cash NOI is a non-GAAP financial measure of performance. The company defines cash NOI as operating revenues (rental income, tenant reimbursements, lease termination fees, ground lease rental income and other property income) less property and related expenses (property expenses, ground lease expense, property marketing costs, real estate taxes and insurance), adjusted for non-cash revenue and operating expense items such as straight-line rent, amortization of lease intangibles, amortization of lease incentives and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, interest expense, other nonproperty income and losses, acquisition-related expense, gains and losses from property dispositions, extraordinary items, tenant improvements, and leasing commissions. Other REITs may use different methodologies for calculating cash NOI, and accordingly, the company's cash NOI may not be comparable to the cash NOIs of other REITs.

About American Assets Trust, Inc.

American Assets Trust, Inc. is a full service, vertically integrated and self-administered real estate investment trust ("REIT"), headquartered in San Diego, California. The company has over 55 years of experience in acquiring, improving, developing and managing premier office, retail, and residential properties throughout the United States in some of the nation's most dynamic, high-barrier-to-entry markets primarily in Southern California, Northern California, Washington, Oregon, Texas and Hawaii. The company's office portfolio comprises approximately 4.1 million rentable square feet, and its retail portfolio comprises approximately 3.1 million rentable square feet. In addition, the company owns one mixed-use property (including approximately 94,000 rentable square feet of retail space and a 369-room all-suite hotel) and 2,110 multifamily units. In 2011, the company was formed to succeed to the real estate business of American Assets, Inc., a privately held corporation founded in 1967 and, as such, has significant experience, long-standing relationships and extensive knowledge of its core markets, submarkets and asset classes. For additional information, please visit www.americanassetstrust.com.

Forward Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws, which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: adverse economic or real estate developments in our markets; defaults on, early terminations of or non-renewal of leases by tenants, including significant tenants; decreased rental rates or increased vacancy rates; our failure to generate sufficient cash flows to service our outstanding indebtedness; fluctuations in interest rates and increased operating costs; our failure to obtain necessary outside financing; our inability to develop or redevelop our properties due to market conditions; general economic conditions; financial market fluctuations; risks that affect the general office, retail, multifamily and mixed-use environment; the competitive environment in which we operate; system failures or security incidents through cyber attacks; the impact of epidemics, pandemics, or other outbreaks of illness, disease or virus (such as the outbreak of COVID-19 and its variants) and the actions taken by government authorities and others related thereto, including the ability of our company, our properties and our tenants to operate; difficulties in identifying properties to acquire and completing acquisitions; our failure to successfully operate acquired properties and operations; risks related to joint venture arrangements; on-going and/or potential litigation; difficulties in completing dispositions; conflicts of interests with our officers or directors; lack or insufficient amounts of insurance; environmental uncertainties and risks related to adverse weather conditions and natural disasters; other factors affecting the real estate industry generally; limitations imposed on our business and our ability to satisfy complex rules in order for American Assets Trust, Inc. to continue to qualify as a REIT, for U.S. federal income tax purposes; and changes in governmental regulations or interpretations thereof, such as real estate and zoning laws and increases in real property tax rates and taxation of REITs. While forward-looking statements reflect the company's good faith beliefs, assumptions and expectations, they are not guarantees of future performance. For a further discussion of these and other factors that could cause the company's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in the company's most recent annual report on Form 10-K, and other risks described in documents subsequently filed by the company from time to time with the Securities and Exchange Commission. The company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

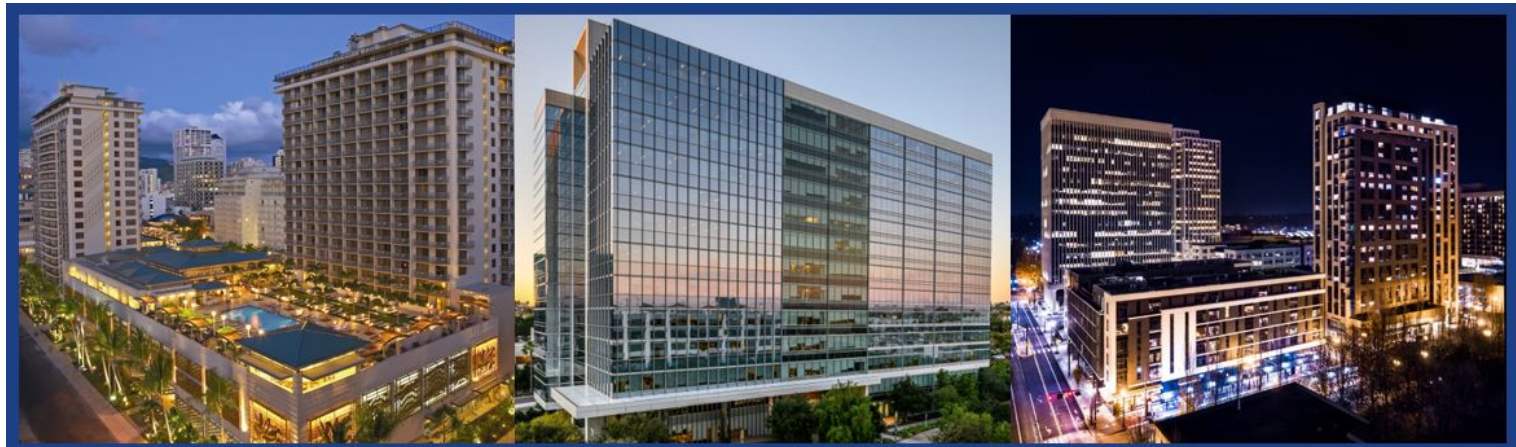
Source: American Assets Trust, Inc.

Investor and Media Contact:

American Assets Trust
Robert F. Barton
Executive Vice President and Chief Financial Officer
858-350-2607

FOURTH QUARTER 2023

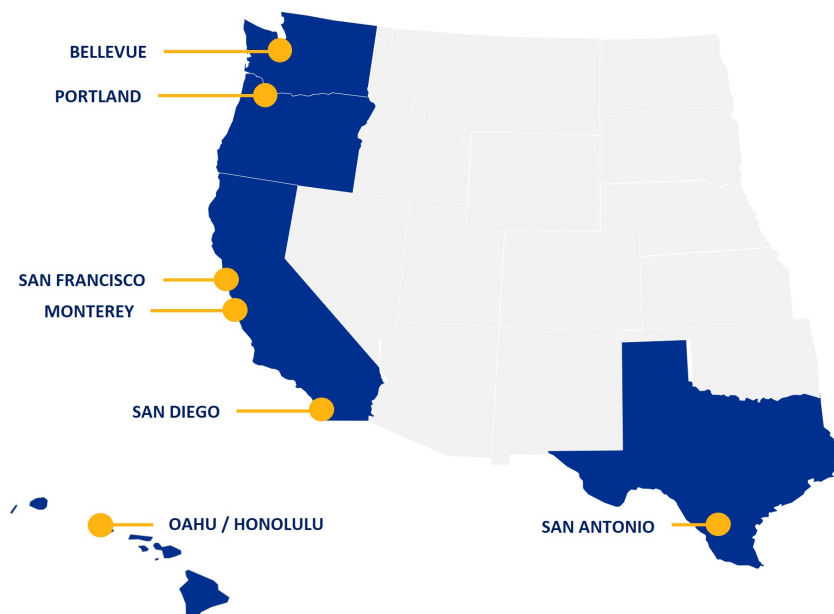
Supplemental Information



Investor and Media Contact
American Assets Trust, Inc.
Robert F. Barton
Executive Vice President and Chief Financial Officer
858-350-2607

AMERICAN
ASSETS
TRUST 

**American Assets Trust, Inc.'s Portfolio is concentrated in high-barrier-to-entry markets
with favorable supply/demand characteristics**



Market	Office	Retail	Multifamily	Mixed-Use	
	Square Feet	Square Feet	Units	Square Feet	Suites
San Diego	1,590,552	1,322,200	1,453 ⁽¹⁾	—	—
Bellevue	1,032,683	—	—	—	—
Portland	912,592	44,236	657	—	—
Monterey	—	673,155	—	—	—
San Antonio	—	588,148	—	—	—
San Francisco	522,696	35,159	—	—	—
Oahu	—	429,718	—	93,925	369
Total	4,058,523	3,092,616	2,110	93,925	369

Note: Circled areas represent all markets in which American Assets Trust, Inc. currently owns and operates its real estate properties. Net rentable square footage may be adjusted from the prior periods to reflect re-measurement of leased space at the properties.

Data is as of December 31, 2023.

(1) Includes 120 RV spaces.

(2) Percentage of Net Operating Income (NOI) calculated for the three months ended December 31, 2023. Reconciliation of NOI to net income is included in the Glossary of Terms.

	Square Feet	%	NOI % ⁽²⁾
Office	4.1 million	57%	53%
Retail	3.1 million	43%	27%
Totals	7.2 million		

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This Supplemental Information contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act). Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: adverse economic or real estate developments in our markets; defaults on, early terminations of or non-renewal of leases by tenants, including significant tenants; decreased rental rates or increased vacancy rates; our failure to generate sufficient cash flows to service our outstanding indebtedness; fluctuations in interest rates and increased operating costs; our failure to obtain necessary outside financing; our inability to develop or redevelop our properties due to market conditions; general economic conditions; financial market fluctuations; risks that affect the general office, retail, multifamily and mixed-use environment; the competitive environment in which we operate; system failures or security incidents through cyber attacks; the impact of epidemics, pandemics, or other outbreaks of illness, disease or virus (such as the outbreak of COVID-19 and its variants) and the actions taken by government authorities and others related thereto, including the ability of our company, our properties and our tenants to operate; difficulties in identifying properties to acquire and completing acquisitions; our failure to successfully operate acquired properties and operations; risks related to joint venture arrangements; on-going and/or potential litigation; difficulties in completing dispositions; conflicts of interests with our officers or directors; lack or insufficient amounts of insurance; environmental uncertainties and risks related to adverse weather conditions and natural disasters; other factors affecting the real estate industry generally; limitations imposed on our business and our ability to satisfy complex rules in order for American Assets Trust, Inc. to continue to qualify as a REIT, for U.S. federal income tax purposes; and changes in governmental regulations or interpretations thereof, such as real estate and zoning laws and increases in real property tax rates and taxation of REITs.

While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, or new information, data or methods, future events or other changes. For a further discussion of these and other factors that could impact our future results, refer to our most recent Annual Report on Form 10-K and other risks described in documents subsequently filed by us from time to time with the Securities and Exchange Commission.

FINANCIAL HIGHLIGHTS

CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except shares and per share data)

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
ASSETS	(unaudited)	
Real estate, at cost		
Operating real estate	\$ 3,502,251	\$ 3,468,537
Construction in progress	239,030	202,385
Held for development	487	547
	<u>3,741,768</u>	<u>3,671,469</u>
Accumulated depreciation	(1,036,453)	(936,913)
Net real estate	2,705,315	2,734,556
Cash and cash equivalents	82,888	49,571
Accounts receivable, net	7,624	7,848
Deferred rent receivable, net	89,210	87,192
Other assets, net	99,644	108,714
TOTAL ASSETS	<u>\$ 2,984,681</u>	<u>\$ 2,987,881</u>
LIABILITIES AND EQUITY		
LIABILITIES:		
Secured notes payable, net	\$ 74,669	\$ 74,578
Unsecured notes payable, net	1,614,958	1,539,453
Unsecured line of credit, net	—	34,057
Accounts payable and accrued expenses	61,312	65,992
Security deposits payable	8,880	8,699
Other liabilities and deferred credits, net	71,187	79,577
Total liabilities	<u>1,831,006</u>	<u>1,802,356</u>
Commitments and contingencies		
EQUITY:		
American Assets Trust, Inc. stockholders' equity		
Common stock, \$0.01 par value, 490,000,000 shares authorized, 60,895,786 and 60,718,653 shares issued and outstanding at December 31, 2023 and December 31, 2022, respectively	609	607
Additional paid in capital	1,469,206	1,461,201
Accumulated dividends in excess of net income	(280,239)	(251,167)
Accumulated other comprehensive income	8,282	10,624
Total American Assets Trust, Inc. stockholders' equity	<u>1,197,858</u>	<u>1,221,265</u>
Noncontrolling interests	(44,183)	(35,740)
Total equity	<u>1,153,675</u>	<u>1,185,525</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 2,984,681</u>	<u>\$ 2,987,881</u>

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited, amounts in thousands, except shares and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
REVENUE:				
Rental income	\$ 107,268	\$ 101,037	\$ 419,373	\$ 402,507
Other property income	5,223	4,963	21,791	20,141
Total revenue	112,491	106,000	441,164	422,648
EXPENSES:				
Rental expenses	32,673	29,209	118,801	107,645
Real estate taxes	11,039	10,595	45,156	44,788
General and administrative	9,472	9,013	35,960	32,143
Depreciation and amortization	29,908	30,110	119,500	123,338
Total operating expenses	83,092	78,927	319,417	307,914
OPERATING INCOME	29,399	27,073	121,747	114,734
Interest expense, net	(16,284)	(14,565)	(64,706)	(58,232)
Other income (expense), net	377	(102)	7,649	(625)
NET INCOME	13,492	12,406	64,690	55,877
Net income attributable to restricted shares	(193)	(184)	(761)	(648)
Net income attributable to unitholders in the Operating Partnership	(2,818)	(2,593)	(13,551)	(11,723)
NET INCOME ATTRIBUTABLE TO AMERICAN ASSETS TRUST, INC. STOCKHOLDERS	\$ 10,481	\$ 9,629	\$ 50,378	\$ 43,506
EARNINGS PER COMMON SHARE				
Basic income from operations attributable to common stockholders per share	\$ 0.17	\$ 0.16	\$ 0.84	\$ 0.72
Weighted average shares of common stock outstanding - basic	60,193,953	60,072,517	60,158,976	60,048,970
Diluted income from continuing operations attributable to common stockholders per share	\$ 0.17	\$ 0.16	\$ 0.84	\$ 0.72
Weighted average shares of common stock outstanding - diluted	76,375,490	76,254,054	76,340,513	76,230,507

FUNDS FROM OPERATIONS, FFO AS ADJUSTED & FUNDS AVAILABLE FOR DISTRIBUTION

(Unaudited, amounts in thousands, except shares and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Funds from Operations (FFO) ⁽¹⁾				
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877
Depreciation and amortization of real estate assets	29,908	30,110	119,500	123,338
FFO, as defined by NAREIT	43,400	42,516	184,190	179,215
Less: Nonforfeitable dividends on restricted stock awards	(190)	(182)	(749)	(641)
FFO attributable to common stock and common units	\$ 43,210	\$ 42,334	\$ 183,441	\$ 178,574
FFO per diluted share/unit	\$ 0.57	\$ 0.56	\$ 2.40	\$ 2.34
Weighted average number of common shares and common units, diluted ⁽²⁾	76,381,507	76,256,916	76,346,772	76,233,814
Funds Available for Distribution (FAD) ⁽¹⁾	\$ 33,081	\$ 31,775	\$ 133,420	\$ 132,852
Dividends				
Dividends declared and paid	\$ 25,436	\$ 24,609	\$ 101,571	\$ 98,248
Dividends declared and paid per share/unit	\$ 0.33	\$ 0.32	\$ 1.32	\$ 1.28

FFO is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance.

FUNDS FROM OPERATIONS, FFO AS ADJUSTED & FUNDS AVAILABLE FOR DISTRIBUTION (CONTINUED)

(Unaudited, amounts in thousands, except shares and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Funds Available for Distribution (FAD) ⁽¹⁾				
FFO	\$ 43,400	\$ 42,516	\$ 184,190	\$ 179,215
Adjustments:				
Tenant improvements, leasing commissions and maintenance capital expenditures	(12,465)	(14,013)	(55,226)	(47,880)
Net effect of straight-line rents ⁽³⁾	(361)	370	(4,135)	(5,996)
Amortization of net above (below) market rents ⁽⁴⁾	(748)	(810)	(3,085)	(3,307)
Net effect of other lease assets ⁽⁵⁾	26	45	199	191
Amortization of debt issuance costs and debt fair value adjustment	835	651	3,388	2,581
Non-cash compensation expense	2,584	3,198	8,838	8,689
Nonforfeitable dividends on restricted stock awards	(190)	(182)	(749)	(641)
FAD	\$ 33,081	\$ 31,775	\$ 133,420	\$ 132,852
Summary of Capital Expenditures				
Tenant improvements and leasing commissions	\$ 3,306	\$ 7,032	\$ 21,190	\$ 27,698
Maintenance capital expenditures	9,159	6,981	34,036	20,182
	\$ 12,465	\$ 14,013	\$ 55,226	\$ 47,880

Notes:

- (1) See Glossary of Terms.
- (2) For the three months and year ended December 31, 2023 and 2022, the weighted average common shares and common units used to compute FFO per diluted share/unit include operating partnership common units and unvested restricted stock awards that are subject to time vesting. The shares/units used to compute FFO per diluted share/unit include additional shares/units which were excluded from the computation of diluted EPS, as they were anti-dilutive for the periods presented.
- (3) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (4) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (5) Represents adjustments related to amortization of lease incentives paid to tenants, amortization of lease intangibles, and straight-line rent expense for our leases at the Annex at The Landmark at One Market.

FFO is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance.

(Amounts in thousands, except share and per share data)

	2024 Guidance Range ⁽¹⁾	
Funds from Operations (FFO):		
Net income	\$ 54,633	\$ 65,330
Depreciation and amortization of real estate assets	113,470	113,470
FFO, as defined by NAREIT	168,103	178,800
Less: Nonforfeitable dividends on restricted stock awards	(772)	(772)
FFO attributable to common stock and units	\$ 167,331	\$ 178,028
Weighted average number of common shares and units, diluted	76,406,801	76,406,801
FFO per diluted share, updated	\$ 2.19	\$ 2.33

Notes:

(1) Management will discuss the company's guidance in more detail during tomorrow's earnings call. Except as discussed during the call, the company's guidance excludes any impact from future acquisitions, dispositions, equity issuances or repurchases, debt financing or repayments.

FFO is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance.

These estimates are forward-looking and reflect management's view of current and future market conditions, including certain assumptions with respect to leasing activity, rental rates, occupancy levels, interest rates and the amount and timing of acquisition and development activities. Our actual results may differ materially from these estimates.

SAME-STORE NET OPERATING INCOME (NOI)

(Unaudited, amounts in thousands)

	Three Months Ended December 31, 2023 ⁽¹⁾				
	Office	Retail	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store	\$ 52,711	\$ 27,096	\$ 15,922	\$ 16,754	\$ 112,483
Non-same store	8	—	—	—	8
Total	52,719	27,096	15,922	16,754	112,491
Real estate expenses					
Same-store	15,822	8,677	7,446	11,325	43,270
Non-same store	442	—	—	—	442
Total	16,264	8,677	7,446	11,325	43,712
Net Operating Income (NOI)					
Same-store	36,889	18,419	8,476	5,429	69,213
Non-same store	(434)	—	—	—	(434)
Total	\$ 36,455	\$ 18,419	\$ 8,476	\$ 5,429	\$ 68,779
Same-store NOI	\$ 36,889	\$ 18,419	\$ 8,476	\$ 5,429	\$ 69,213
Net effect of straight-line rents ⁽²⁾	(368)	83	67	(144)	(362)
Amortization of net above (below) market rents ⁽³⁾	(489)	(259)	—	—	(748)
Net effect of other lease assets ⁽⁴⁾	12	13	—	—	25
Tenant improvement reimbursements ⁽⁵⁾	(504)	(1)	—	—	(505)
Same-store cash NOI ⁽⁵⁾	\$ 35,540	\$ 18,255	\$ 8,543	\$ 5,285	\$ 67,623

Notes:

- (1) Same-store and non-same store classifications are determined based on properties held on December 31, 2023 and 2022. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants, amortization of lease intangibles and straight-line rent expense for our leases at the Annex at The Landmark at One Market.
- (5) Tenant improvement reimbursements are excluded from same-store cash NOI to provide a more accurate measure of operating performance.

NOI and same-store cash NOI are non-GAAP supplemental earnings measures which we consider meaningful in measuring our operating performance. Reconciliations of NOI and same-store cash NOI to net income are included in the Glossary of Terms.

SAME-STORE NET OPERATING INCOME (NOI) (CONTINUED)

(Unaudited, amounts in thousands)

	Year Ended December 31, 2023 ⁽¹⁾				
	Office	Retail	Multifamily	Mixed-Use	Total
Real estate rental revenue					
Same-store	\$ 204,497	\$ 104,767	\$ 61,830	\$ 66,711	\$ 437,805
Non-same store	3,359	—	—	—	3,359
Total	207,856	104,767	61,830	66,711	441,164
Real estate expenses					
Same-store	58,858	31,440	28,025	43,153	161,476
Non-same store	2,481	—	—	—	2,481
Total	61,339	31,440	28,025	43,153	163,957
Net Operating Income (NOI)					
Same-store	145,639	73,327	33,805	23,558	276,329
Non-same store	878	—	—	—	878
Total	\$ 146,517	\$ 73,327	\$ 33,805	\$ 23,558	\$ 277,207
Same-store NOI	\$ 145,639	\$ 73,327	\$ 33,805	\$ 23,558	\$ 276,329
Net effect of straight-line rents ⁽²⁾	(4,449)	324	189	(100)	(4,036)
Amortization of net above (below) market rents ⁽³⁾	(1,834)	(1,039)	—	—	(2,873)
Net effect of other lease assets ⁽⁴⁾	148	50	—	—	198
Tenant improvement reimbursements ⁽⁵⁾	(1,099)	(5)	—	—	(1,104)
Same-store cash NOI ⁽⁵⁾	\$ 138,405	\$ 72,657	\$ 33,994	\$ 23,458	\$ 268,514

Notes:

- (1) Same-store and non-same store classifications are determined based on properties held on December 31, 2023 and 2022. See Glossary of Terms.
- (2) Represents the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances.
- (3) Represents the adjustment related to the acquisition of buildings with above (below) market rents.
- (4) Represents adjustments related to amortization of lease incentives paid to tenants, amortization of lease intangibles, and straight-line rent expense for our leases at the Annex at The Landmark at One Market.
- (5) Tenant improvement reimbursements are excluded from Same-store Cash NOI to provide a more accurate measure of operating performance.

NOI and same-store cash NOI are non-GAAP supplemental earnings measures which we consider meaningful in measuring our operating performance. Reconciliations of NOI and same-store cash NOI to net income are included in the Glossary of Terms.

SAME-STORE CASH NOI COMPARISON EXCLUDING REDEVELOPMENT

(Unaudited, amounts in thousands)

	Three Months Ended December 31,			Year Ended December 31,		
	2023	2022	Change	2023	2022	Change
Cash Basis:						
Office	\$ 35,540	\$ 34,316	3.6 %	\$ 138,405	\$ 133,490	3.7 %
Retail	18,255	18,480	(1.2)	72,657	69,491	4.6
Multifamily	8,543	8,271	3.3	33,994	32,224	5.5
Mixed-Use	5,285	4,869	8.5	23,458	21,734	7.9
Same-store Cash NOI ⁽²⁾⁽³⁾	<u>\$ 67,623</u>	<u>\$ 65,936</u>	<u>2.6 %</u>	<u>\$ 268,514</u>	<u>\$ 256,939</u>	<u>4.5 %</u>

Notes:

(1) Excluding lease termination fees, for the three months and year ended December 31, 2023 and 2022, the change in same-store cash NOI would be 2.7% and 4.5% respectively .

(2) See Glossary of Terms.

Same-store cash NOI is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of same-store cash NOI to net income is included in the Glossary of Terms.

SAME-STORE CASH NOI COMPARISON WITH REDEVELOPMENT

(Unaudited, amounts in thousands)

	Three Months Ended December 31,			Year Ended December 31,		
	2023	2022	Change	2023	2022	Change
Cash Basis:						
Office	\$ 35,385	\$ 34,147	3.6 %	\$ 137,747	\$ 133,016	3.6 %
Retail	18,255	18,480	(1.2)	72,657	69,491	4.6
Multifamily	8,543	8,271	3.3	33,994	32,224	5.5
Mixed-Use	5,285	4,869	8.5	23,458	21,734	7.9
Same-store Cash NOI with Redevelopment ⁽¹⁾ ₍₂₎	\$ 67,468	\$ 65,767	2.6 %	\$ 267,856	\$ 256,465	4.4 %

Notes:

(1) Excluding lease termination fees, for the three months and year ended December 31, 2023 and 2022, the change in same-store cash NOI with redevelopment would be 2.8% and 4.4% respectively.

(2) See Glossary of Terms.

Same-store cash NOI with redevelopment is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of same-store cash NOI with redevelopment to net income is included in the Glossary of Terms.

(Unaudited, amounts in thousands)

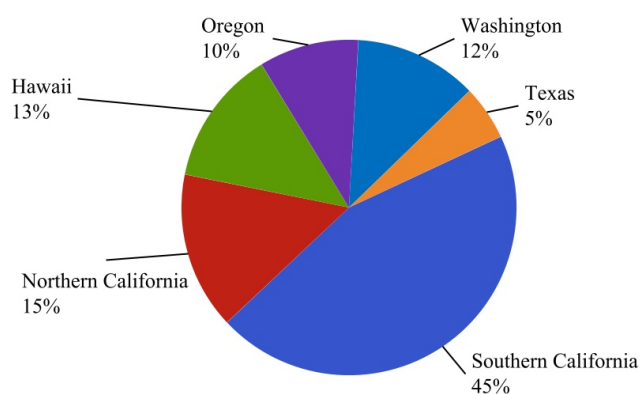
	Three Months Ended December 31, 2023				
	Office	Retail	Multifamily	Mixed-Use	Total
Cash Basis:					
Southern California	\$ 14,811	\$ 8,457	\$ 7,372	\$ —	\$ 30,640
Northern California	7,485	2,874	—	—	10,359
Hawaii	—	3,131	—	5,285	8,416
Oregon	5,228	187	1,171	—	6,586
Texas	—	3,607	—	—	3,607
Washington	8,088	—	—	—	8,088
Total Cash NOI	\$ 35,612	\$ 18,256	\$ 8,543	\$ 5,285	\$ 67,696

Cash NOI is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of cash NOI to net income is included in the Glossary of Terms.

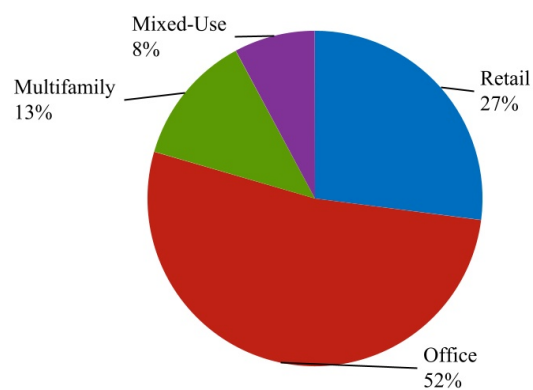
Three Months Ended December 31, 2023

Cash NOI Breakdown

Portfolio Diversification by Geographic Region



Portfolio Diversification by Segment



Cash NOI is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. A reconciliation of cash NOI to net income is included in the Glossary of Terms.

PROPERTY REVENUE AND OPERATING EXPENSES

(Unaudited, amounts in thousands)

Three Months Ended December 31, 2023

Property	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾	Rental Adjustments ⁽⁵⁾	Cash NOI ⁽⁶⁾
Office Portfolio						
La Jolla Commons	\$ 8,526	\$ 181	\$ 2,614	\$ (3,292)	\$ —	\$ 8,029
Torrey Reserve Campus ⁽⁷⁾	6,571	78	502	(1,951)	(579)	4,621
Torrey Point	1,445	112	(18)	(445)	(318)	776
Solana Crossing	2,123	11	161	(691)	(124)	1,480
The Landmark at One Market	10,266	75	683	(3,437)	—	7,587
One Beach Street	—	—	—	(102)	—	(102)
First & Main	2,740	203	789	(1,142)	53	2,643
Lloyd Portfolio ⁽⁷⁾	3,660	401	325	(1,493)	(126)	2,767
City Center Bellevue	6,325	500	504	(1,851)	73	5,551
Eastgate Office Park	1,145	24	581	(832)	(54)	864
Corporate Campus East III	1,123	57	477	(486)	(7)	1,164
Bel-Spring 520	535	12	239	(271)	(6)	509
Subtotal Office Portfolio	\$ 44,459	\$ 1,654	\$ 6,857	\$ (15,993)	\$ (1,088)	\$ 35,889
Retail Portfolio						
Carmel Country Plaza	\$ 972	\$ 47	\$ 255	\$ (265)	\$ 2	\$ 1,011
Carmel Mountain Plaza	3,467	45	811	(876)	85	3,532
South Bay Marketplace	613	166	232	(241)	—	770
Gateway Marketplace	653	—	229	(273)	(12)	597
Lomas Santa Fe Plaza	1,660	16	385	(1,146)	8	923
Solana Beach Towne Centre	1,668	20	586	(649)	(1)	1,624
Del Monte Center	2,436	666	1,085	(1,584)	(20)	2,583
Geary Marketplace	307	—	109	(125)	—	291
The Shops at Kalakaua	275	15	51	(100)	—	241
Waikale Center	3,225	425	994	(1,759)	5	2,890
Alamo Quarry Market	3,698	319	1,122	(1,535)	3	3,607
Hassalo on Eighth - Retail	248	22	41	(124)	—	187
Subtotal Retail Portfolio	\$ 19,222	\$ 1,741	\$ 5,900	\$ (8,677)	\$ 70	\$ 18,256

PROPERTY REVENUE AND OPERATING EXPENSES (CONTINUED)

(Unaudited, amounts in thousands)

Property	Three Months Ended December 31, 2023					
	Base Rent ⁽¹⁾	Additional Property Income ⁽²⁾	Billed Expense Reimbursements ⁽³⁾	Property Operating Expenses ⁽⁴⁾	Rental Adjustments ⁽⁵⁾	Cash NOI ⁽⁶⁾
Multifamily Portfolio						
Loma Palisades	\$ 4,246	\$ 297	\$ —	\$ (1,804)	\$ (77)	\$ 2,662
Imperial Beach Gardens	1,160	81	—	(513)	—	728
Mariner's Point	564	33	—	(246)	—	351
Santa Fe Park RV Resort	416	37	—	(276)	—	177
Pacific Ridge Apartments	5,929	214	—	(2,606)	(83)	3,454
Hassalo on Eighth - Multifamily	2,876	385	—	(2,002)	(88)	1,171
Subtotal Multifamily Portfolio	\$ 15,191	\$ 1,047	\$ —	\$ (7,447)	\$ (248)	\$ 8,543
Mixed-Use Portfolio						
Waikiki Beach Walk - Retail	\$ 2,235	\$ 1,235	\$ 907	\$ (1,725)	\$ (13)	\$ 2,639
Waikiki Beach Walk - Embassy Suites™	10,470	1,776	—	(9,600)	—	2,646
Subtotal Mixed-Use Portfolio	\$ 12,705	\$ 3,011	\$ 907	\$ (11,325)	\$ (13)	\$ 5,285
Subtotal Development Properties	\$ —	\$ 5	\$ —	\$ (282)	\$ —	\$ (277)
Total	\$ 91,577	\$ 7,458	\$ 13,664	\$ (43,724)	\$ (1,279)	\$ 67,696

Cash NOI is a non-GAAP supplemental earnings measure which the company considers meaningful in measuring its operating performance. A reconciliation of total cash NOI to net income is included in the Glossary of Terms.

Notes:

- (1) Base rent for our office and retail portfolio and the retail portion of our mixed-use portfolio represents base rent for the three months ended December 31, 2023 (before deferrals, abatements, and tenant improvement reimbursements) and excludes the impact of straight-line rent and above (below) market rent adjustments. Total abatements for our office portfolio were approximately \$1.5 million for the three months ended December 31, 2023. Total abatements for our retail portfolio and mixed-use portfolio were minimal for the three months ended December 31, 2023. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses. Multifamily portfolio base rent represents base rent (including parking, before abatements) less vacancy allowance and employee rent credits and includes additional rents (additional rents include insufficient notice penalties, month-to-month charges and pet rent). There were \$0.2 million of abatements for our multifamily portfolio for the three months ended December 31, 2023. For Waikiki Beach Walk - Embassy Suites™, base rent is equal to the actual room revenue for the three months ended December 31, 2023. Total tenant improvement reimbursements for our office portfolio, retail portfolio and the retail portion of our mixed-use portfolio were approximately \$0.5 million in the aggregate for the three months ended December 31, 2023.
- (2) Represents additional property-related income for the three months ended December 31, 2023, which includes: (i) percentage rent, (ii) other rent (such as storage rent, license fees and association fees) and (iii) other property income (such as late fees, default fees, lease termination fees, parking revenue, the reimbursement of general excise taxes, laundry income and food and beverage sales).
- (3) Represents billed tenant expense reimbursements for the three months ended December 31, 2023.
- (4) Represents property operating expenses for the three months ended December 31, 2023. Property operating expenses includes all rental expenses, except non cash rent expense.
- (5) Represents various rental adjustments related to base rent (deferrals, abatements, and tenant improvement reimbursements).
- (6) See Glossary of Terms.
- (7) Base rent shown includes amounts related to American Assets Trust, L.P.'s corporate leases at Torrey Point and Lloyd Portfolio. This intercompany rent is eliminated in the consolidated statement of operations. The base rent and abatement were both \$0.4 million for the three months ended December 31, 2023.

SEGMENT CAPITAL EXPENDITURES

(Unaudited, amounts in thousands)

Three Months Ended December 31, 2023

Segment	Tenant Improvements and Leasing Commissions	Maintenance Capital Expenditures	Total Tenant Improvements, Leasing Commissions and Maintenance Capital Expenditures	Redevelopment and Expansions	New Development	Total Capital Expenditures
Office Portfolio	\$ 2,071	\$ 5,429	\$ 7,500	\$ 968	\$ 6,226	\$ 14,694
Retail Portfolio	1,192	1,866	3,058	—	—	3,058
Multifamily Portfolio	—	1,396	1,396	—	—	1,396
Mixed-Use Portfolio	43	468	511	—	—	511
Total	\$ 3,306	\$ 9,159	\$ 12,465	\$ 968	\$ 6,226	\$ 19,659

Year Ended December 31, 2023

Segment	Tenant Improvements and Leasing Commissions	Maintenance Capital Expenditures	Total Tenant Improvements, Leasing Commissions and Maintenance Capital Expenditures	Redevelopment and Expansions	New Development	Total Capital Expenditures
Office Portfolio	\$ 15,010	\$ 21,665	\$ 36,675	\$ 7,251	\$ 27,410	\$ 71,336
Retail Portfolio	5,668	3,188	8,856	—	—	8,856
Multifamily Portfolio	—	5,902	5,902	—	—	5,902
Mixed-Use Portfolio	512	3,281	3,793	—	—	3,793
Total	\$ 21,190	\$ 34,036	\$ 55,226	\$ 7,251	\$ 27,410	\$ 89,887

SUMMARY OF OUTSTANDING DEBT

(Unaudited, amounts in thousands)

Debt	Amount Outstanding at December 31, 2023	Interest Rate	Annual Debt Service ⁽¹⁾	Maturity Date
City Center Bellevue	75,000	5.08 %	3,874	October 1, 2027
Secured Notes Payable / Weighted Average ⁽²⁾	\$ 75,000	5.08 %	\$ 3,874	
Term Loan A ⁽³⁾	\$ 100,000	2.70 %	\$ 2,700	January 5, 2027
Term Loan B ⁽⁴⁾	150,000	5.47 %	8,378	January 5, 2025
Term Loan C ⁽⁵⁾	75,000	5.47 %	4,189	January 5, 2025
Series F Notes ⁽⁶⁾	100,000	3.85 %	103,654	July 19, 2024
Series B Notes	100,000	4.45 %	4,450	February 2, 2025
Series C Notes	100,000	4.50 %	4,500	April 1, 2025
Series D Notes ⁽⁷⁾	250,000	3.87 %	10,725	March 1, 2027
Series E Notes ⁽⁸⁾	100,000	4.18 %	4,240	May 23, 2029
Series G Notes ⁽⁹⁾	150,000	3.88 %	5,865	July 30, 2030
3.375% Senior Unsecured Notes ⁽¹⁰⁾	500,000	3.38 %	16,875	February 1, 2031
Unsecured Notes Payable / Weighted Average ⁽¹¹⁾	\$ 1,625,000	3.96 %	\$ 165,576	
Unsecured Line of Credit ⁽¹²⁾	\$ —			

Notes:

- (1) Includes interest and principal payments due over the next twelve months.
- (2) The Secured Notes Payable total does not include debt issuance costs, net of \$0.33 million.
- (3) Term Loan A has a stated maturity of January 5, 2027, with no further extension options. Term Loan A accrues interest at a variable rate, which we fixed as part of an interest rate swap for an effective interest rate of 2.70%, subject to adjustments based on our consolidated leverage ratio.
- (4) On January 5, 2023, the fully-drawn borrowings on Term Loan B were increased from \$100 million to \$150 million and the maturity date was extended from March 1, 2023 to January 5, 2025, with one, twelve-month extension option. Prior thereto, we entered into forward starting interest rate swaps that are intended to fix the interest rate on the \$150 million Term Loan B at approximately 5.47% for the first year of the extended term loan and 5.57% for the second year of the extended term loan, subject to adjustments based on our consolidated leverage ratio.
- (5) On January 5, 2023, the fully-drawn borrowings on Term Loan C were increased from \$50 million to \$75 million and the maturity date was extended from March 1, 2023 to January 5, 2025, with one, twelve-month extension option. Prior thereto, we entered into forward starting interest rate swaps that are intended to fix the interest rate on the \$75 million Term Loan C at approximately 5.47% for the first year of the extended term loan and 5.57% for the second year of the extended term loan, subject to adjustments based on our consolidated leverage ratio.
- (6) \$100 million of 3.78% Senior Guaranteed Notes, Series F, due July 19, 2024. Net of the settlement of the treasury lock contract, the effective interest rate for the Series F Notes is approximately 3.85%, through maturity.
- (7) \$250 million of 4.29% Senior Guaranteed Notes, Series D, due March 1, 2027. Net of the settlement of the forward-starting interest rate swap, the effective interest rate for the Series D Notes is approximately 3.87% per annum, through maturity.
- (8) \$100 million of 4.24% Senior Guaranteed Notes, Series E, due May 23, 2029. Net of the settlement of the treasury lock contract, the effective interest rate for the Series E Notes is approximately 4.18%, through maturity.
- (9) \$150 million of 3.91% Senior Guaranteed Notes, Series G, due July 30, 2030. Net of the settlement of the treasury lock contract, the effective interest rate for the Series G Notes is approximately 3.88% through maturity.
- (10) \$500 million of 3.375% Senior Unsecured Notes due February 1, 2031. Net of debt issuance discount, the effective interest rate for the 3.375% Notes is approximately 3.502% through maturity.
- (11) The Unsecured Notes Payable total does not include debt issuance costs and discounts, net of \$10.0 million.
- (12) The unsecured revolving line of credit (the "Revolver Loan") has a capacity of \$400 million plus an accordion feature that may allow us to increase the availability thereunder up to an additional \$400 million, subject to meeting specified requirements and obtaining additional commitments from lenders. The Revolver Loan matures on January 5, 2026, subject to our option to extend the Revolver Loan up to two times, with each such extension for a six-month period. The Revolver Loan currently accrues interest at SOFR, plus the applicable SOFR adjustment and a spread which ranges from 1.05%-1.50%, based on our consolidated leverage ratio. The Revolver Loan total does not include debt issuance costs, net of \$1.3 million.

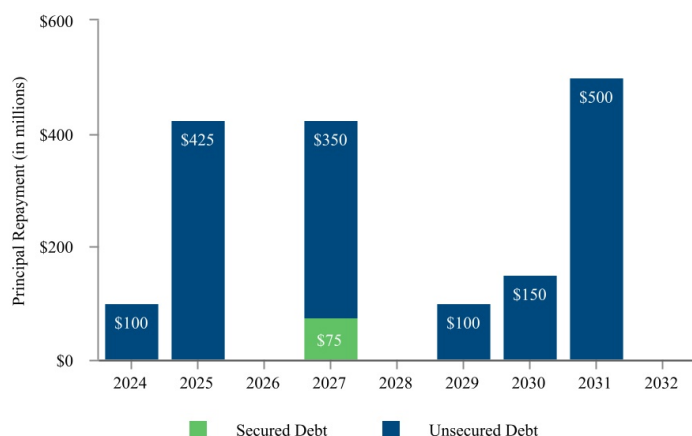
(Unaudited, amounts in thousands, except per share data)

Market data	December 31, 2023
Common shares outstanding	60,896
Common units outstanding	16,182
Common shares and common units outstanding	77,078
Market price per common share	\$ 22.51
Equity market capitalization	\$ 1,735,026
Total debt	\$ 1,700,000
Total market capitalization	\$ 3,435,026
Less: Cash on hand	\$ (82,888)
Total enterprise value	\$ 3,352,138
Total unencumbered assets, gross	\$ 3,734,495
Total debt/Total capitalization	49.5 %
Total debt/Total enterprise value	50.7 %
Net debt/Total enterprise value ⁽¹⁾	48.2 %
Total unencumbered assets, gross/Unsecured debt	229.8 %

Credit Ratings		
Rating Agency	Rating	Outlook
Fitch	BBB	Stable
Moody's	Baa3	Stable
Standard & Poors	BBB-	Stable

	Quarter Annualized	Trailing 12 Months
Total debt/Adjusted EBITDA ⁽²⁾⁽³⁾	7.2 x	6.9 x
Net debt/Adjusted EBITDA ⁽¹⁾⁽²⁾⁽³⁾	6.8 x	6.5 x
Interest coverage ratio ⁽⁴⁾	3.4 x	3.6 x
Fixed charge coverage ratio ⁽⁴⁾	3.4 x	3.6 x

Debt Maturity Schedule as of December 31, 2023



Weighted Average Fixed Interest Rate	2024	2025	2026	2027	2028	2029	2030	2031	2032
Weighted Average Fixed Interest Rate	3.8 %	5.0 %	— %	3.8 %	— %	4.2 %	3.9 %	3.4 %	— %

Total Weighted Average Fixed Interest Rate: 4.0%

Weighted Average Term to Maturity: 4.1

Notes:

- (1) Net debt is equal to total debt less cash on hand.
- (2) See Glossary of Terms for discussion of EBITDA and Adjusted EBITDA.
- (3) As used here, Adjusted EBITDA represents the actual for the three months ended December 31, 2023, annualized.
- (4) Calculated as Adjusted EBITDA divided by interest on borrowed funds, including capitalized interest and excluding debt fair value adjustments and loan fee amortization.

Adjusted EBITDA is a non-GAAP supplemental earnings measure which we consider meaningful in measuring our operating performance. Reconciliations of Adjusted EBITDA to net income are included in the Glossary of Terms.

SUMMARY OF DEVELOPMENT OPPORTUNITIES

Our portfolio has numerous potential opportunities to create future shareholder value. These opportunities could be subject to government approvals, lender consents, tenant consents, market conditions, availability of debt and/or equity financing, etc. Many of these opportunities are in their preliminary stages and may not ultimately come to fruition. This schedule will update as we modify various assumptions and markets conditions change. Square footages and units set forth below are estimates only and ultimately may differ materially from actual square footages and units.

Development/Redevelopment Projects								Project Costs (in thousands) ⁽³⁾	
Property	Location	Start Date	Completion Date	Estimated Stabilized Yield ⁽¹⁾	Rentable Square Feet	Percent Leased	Estimated Stabilization Date ⁽²⁾	Cost Incurred to Date	Total Estimated Investment
Office Property:									
La Jolla Commons	University Town Center, San Diego, CA	April 2021	March 2024	6.5% - 7.5%	213,000	—%	2025	\$120,082	\$175,000
One Beach Street	San Francisco, CA	February 2021	July 2023	TBD	102,000	—%	2025	\$33,952	\$42,800

Development/Redevelopment Pipeline						
Property	Property Type	Location	Estimated Rentable Square Feet	Multifamily Units	Opportunity	
Waikale Center	Retail	Honolulu, HI	90,000	N/A	Development of 90,000 square feet retail building (former KMart Space)	
Lomas Santa Fe Plaza	Retail	Solana Beach, CA	45,000	N/A	Development of 45,000 square feet retail building	
Lloyd Portfolio - multiple phases ⁽⁴⁾	Mixed Use	Portland, OR				
Phase 2B - Oregon Square			385,000	N/A	Development of build-to-suit office towers	

Notes:

- (1) The estimated stabilized yield is calculated based on total estimated project costs, as defined above, when the project has reached stabilized occupancy.
- (2) Based on management's estimation of stabilized occupancy (90%).
- (3) Project costs exclude capitalized interest cost which is calculated in accordance with Accounting Standards Codification 835-20-50-1.
- (4) The Lloyd Portfolio was acquired in 2011, consisting of approximately 600,000 rentable square feet on more than 16 acres located in the Lloyd District of Portland, Oregon. The portion of the property that has been designated for additional development is expected to include a high density, transit oriented, mixed-use urban village, with the potential to be in excess of approximately three million square feet. The entitlement for such development opportunity allows a 12:1 Floor Area Ratio with a 250 foot height limit and provides for retail, office and/or multifamily development. Additional development plans are in the early stages and will continue to progress as demand and economic conditions allow.

PORTFOLIO DATA

As of December 31, 2023

Office and Retail Portfolios

Property	Location	Year Built/ Renovated	Number of Buildings	Net Rentable Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
Office Properties									
La Jolla Commons	San Diego, CA	2008/2014	2	724,654	99.3%	\$ 46,251,701	\$64.28		
Torrey Reserve Campus	San Diego, CA	1996-2000/2014- 2016/2021	14	547,035	92.2	26,721,473	52.98		
Torrey Point	San Diego, CA	2017	2	94,854	100.0	5,780,415	60.94		
Solana Crossing	Solana Beach, CA	1982/2005	4	224,009	88.3	9,150,509	46.26		
The Landmark at One Market	San Francisco, CA	1917/2000	1	422,426	100.0	41,072,918	97.23		
One Beach Street	San Francisco, CA	1924/1972/1987/1992	1	100,270	—	—	—		
First & Main	Portland, OR	2010	1	362,633	90.7	10,969,495	33.35		
Lloyd Portfolio	Portland, OR	1940-2015	3	549,959	79.4	15,287,045	35.01		
City Center Bellevue	Bellevue, WA	1987	1	498,606	85.7	25,454,376	59.57		
Eastgate Office Park	Bellevue, WA	1985	4	281,204	55.4	6,475,463	41.57		
Corporate Campus East III	Bellevue, WA	1986	4	159,578	85.0	6,253,631	46.10		
Bel-Spring 520	Bellevue, WA	1983	2	93,295	73.1	2,989,023	43.83		
Subtotal/Weighted Average Office Portfolio ⁽⁸⁾			39	4,058,523	86.0%	\$ 196,406,049	\$56.27		
Retail Properties									
Carmel Country Plaza	San Diego, CA	1991	9	78,098	89.8%	\$ 3,962,827	\$56.51		Sharp Healthcare, San Diego County Credit Union
Carmel Mountain Plaza ⁽⁹⁾	San Diego, CA	1994/2014	15	528,416	98.8	14,205,182	27.21	At Home Stores	Dick's Sporting Goods, Sprouts Farmers Market, Nordstrom Rack, Total Wine Ross Dress for Less, Grocery Outlet
South Bay Marketplace ⁽⁹⁾	San Diego, CA	1997	9	132,877	97.8	2,454,484	18.89		
Gateway Marketplace	San Diego, CA	1997/2016	3	127,861	100.0	2,583,099	20.20	Hobby Lobby	Smart & Final, Aldi
Lomas Santa Fe Plaza	Solana Beach, CA	1972/1997	9	208,297	98.0	6,661,157	32.63		Vons, Home Goods
Solana Beach Towne Centre	Solana Beach, CA	1973/2000/2004	12	246,651	96.5	6,847,560	28.77		Dixieline Probuild, Marshalls
Del Monte Center ⁽⁹⁾	Monterey, CA	1967/1984/2006	16	673,155	82.4	9,449,635	17.04	Macy's	Century Theatres, Whole Foods Market, H&M, Apple, Sephora, Williams-Sonoma
Geary Marketplace	Walnut Creek, CA	2012	3	35,159	96.7	1,230,114	36.18		Sprouts Farmers Market
The Shops at Kalakaua	Honolulu, HI	1971/2006	3	11,671	77.7	1,105,775	121.94		Hawaii Beachware & Fashion, Diesel U.S.A. Inc.
Waialele Center	Waipahu, HI	1993/2008	9	418,047	99.7	12,838,467	30.80	Lowe's, Safeway	UFC Gym, OfficeMax, Old Navy
Alamo Quarry Market ⁽⁹⁾	San Antonio, TX	1997/1999	16	588,148	98.5	14,813,996	25.57	Regal Cinemas	Whole Foods Market, Nordstrom Rack, Williams-Sonoma, Sephora, Home Goods
Hassalo on Eighth	Portland, OR	2015	3	44,236	65.5	968,470	33.42		Providence Health & Services, Sola Salons
Subtotal/Weighted Average Retail Portfolio ⁽⁸⁾			107	3,092,616	94.3%	\$ 77,120,766	\$26.44		
Total/Weighted Average Office and Retail Portfolio ⁽⁸⁾			146	7,151,139	89.6%	\$ 273,526,815	\$42.69		

As of December 31, 2023

Property	Location	Year Built/ Renovated	Number of Buildings	Units	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Average Monthly Base Rent per Leased Unit ⁽⁴⁾
Loma Palisades	San Diego, CA	1958/2001 - 2008/2021	80	548	94.7%	\$ 17,026,908	\$ 2,734
Imperial Beach Gardens	Imperial Beach, CA	1959/2008	26	160	92.5	4,703,988	\$ 2,649
Mariner's Point	Imperial Beach, CA	1986	8	88	87.5	2,288,280	\$ 2,476
Santa Fe Park RV Resort ⁽¹⁰⁾	San Diego, CA	1971/2007-2008	1	124	84.7	1,521,684	\$ 1,207
Pacific Ridge Apartments	San Diego, CA	2013	3	533	94.0	23,798,100	\$ 3,958
Hassalo on Eighth - Velomor	Portland, OR	2015	1	177	96.1	3,329,628	\$ 1,631
Hassalo on Eighth - Aster Tower	Portland, OR	2015	1	337	88.4	6,036,279	\$ 1,689
Hassalo on Eighth - Elwood	Portland, OR	2015	1	143	90.9	2,507,436	\$ 1,607
Total/Weighted Average Multifamily Portfolio			121	2,110	92.3%	\$ 61,212,303	\$ 2,619

Mixed-Use Portfolio

Retail Portion	Location	Year Built/ Renovated	Number of Buildings	Net Rentable Square Feet ⁽¹⁾	Percentage Leased ⁽²⁾	Annualized Base Rent ⁽³⁾	Annualized Base Rent per Leased Square Foot ⁽⁴⁾	Retail Anchor Tenant(s) ⁽⁵⁾	Other Principal Retail Tenants ⁽⁶⁾
Waikiki Beach Walk - Retail	Honolulu, HI	2006	3	93,925	95.1 %	\$ 9,545,747	\$ 106.87		Yard House, Roy's

Hotel Portion	Location	Year Built/ Renovated	Number of Buildings	Units	Average Occupancy ⁽¹¹⁾	Average Daily Rate ⁽¹¹⁾	Revenue per Available Room ⁽¹¹⁾
Waikiki Beach Walk - Embassy Suites™	Honolulu, HI	2008/2014/2020	2	369	85.2 %	\$ 362.22	\$ 308.67

Notes:

- The net rentable square feet for each of our retail properties and the retail portion of our mixed-use property is the sum of (1) the square footages of existing leases, plus (2) for available space, the field-verified square footage. The net rentable square feet for each of our office properties is the sum of (1) the square footages of existing leases, plus (2) for available space, management's estimate of net rentable square feet based, in part, on past leases. The net rentable square feet included in such office leases is generally determined consistently with the Building Owners and Managers Association, 2010 measurement guidelines. Net rentable square footage may be adjusted from the prior periods to reflect re-measurement of leased space at the properties.
- Percentage leased for each of our retail and office properties and the retail portion of the mixed-use property includes square footage under leases as of December 31, 2023, including leases which may not have commenced as of December 31, 2023. Percentage leased for our multifamily properties includes total units rented and occupied as of December 31, 2023.
- Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) under commenced leases for the month ended December 31, 2023 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses. The foregoing notwithstanding:
 - The annualized base rent for La Jolla Commons has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$35,743,797 to our estimate of annual triple net operating expenses of \$10,507,904 for an estimated annualized base rent on a modified gross lease basis of \$46,251,701 for La Jolla Commons.
 - The annualized base rent for Eastgate Office Park has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$4,656,039 to our estimate of annual triple net operating expenses of \$1,819,424 for an estimated annualized base rent on a modified gross lease basis of \$6,475,463 for Eastgate Office Park.
 - The annualized base rent for Corporate Campus East III has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$4,508,259 to our estimate of annual triple net operating expenses of \$1,745,372 for an estimated annualized base rent on a modified gross lease basis of \$6,253,631 for Corporate Campus East III.
 - The annualized base rent for Bel-Spring 520 has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases, by adding the contractual annualized triple net base rent of \$2,140,936 to our estimate of annual triple net operating expenses of \$848,087 for an estimated annualized base rent on a modified gross lease basis of \$2,989,023 for Bel-Spring 520.
- Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of December 31, 2023. Annualized base rent per leased unit is calculated by dividing annualized base rent by units under lease as of December 31, 2023. The foregoing notwithstanding, the annualized base rent per leased square foot for La Jolla Commons, Eastgate Office Park, Corporate Campus East III and Bel-Spring 520 has been adjusted for this presentation to reflect that the contractual triple net leases were instead structured as modified gross leases. See footnote 3 for further explanation.

- (5) Retail anchor tenants are defined as retail tenants leasing 50,000 square feet or more.
- (6) Other principal retail tenants, excluding anchor tenants.
- (7) This property contains 422,426 net rentable square feet consisting of The Landmark at One Market (378,206 net rentable square feet) as well as a separate long-term leasehold interest in approximately 44,220 net rentable square feet of space located in an adjacent six-story leasehold known as the Annex. We currently lease the Annex from an affiliate of the Paramount Group pursuant to a long-term master lease effective through June 30, 2026, which we have the option to extend until 2031 pursuant to one five-year extension option.

(8) Lease data for signed but not commenced leases as of December 31, 2023 is in the following table:

	Leased Square Feet Under Signed But Not Commenced Leases (a)	Annualized Base Rent (b)	Annualized Base Rent per Leased Square Foot (b)	Pro Forma Annualized Base Rent per Leased Square Foot (c)
Office Portfolio	14,214	\$ 687,781	\$ 48.39	\$ 56.37
Retail Portfolio	31,501	\$ 748,980	\$ 23.78	\$ 26.71
Total Retail and Office Portfolio	45,715	\$ 1,436,761	\$ 31.43	\$ 42.87

- (a) Office portfolio leases signed but not commenced of 7,016 and 7,198 square feet are expected to commence during the first and second quarters of 2024, respectively. Retail portfolio leases signed but not commenced of 3,264, 1,200, and 27,037 square feet are expected to commence during the first, second and third quarters of 2024, respectively.
- (b) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements) for signed but not commenced leases as of December 31, 2023 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses. Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage for signed but not commenced leases.
- (c) Pro forma annualized base rent is calculated by dividing annualized base rent for commenced leases and for signed but not commenced leases as of December 31, 2023, by square footage under lease as of December 31, 2023.
- (9) Net rentable square feet at certain of our retail properties includes pad sites leased pursuant to the ground leases in the following table:

Property	Number of Ground Leases	Square Footage Leased Pursuant to Ground Leases	Aggregate Annualized Base Rent
Carmel Mountain Plaza	5	17,607	\$ 974,581
South Bay Marketplace	1	2,824	\$ 114,552
Del Monte Center	1	212,500	\$ 96,000
Alamo Quarry Market	3	20,694	\$ 423,455

- (10) The Santa Fe Park RV Resort is subject to seasonal variation, with higher rates of occupancy occurring during the summer months. During the 12 months ended December 31, 2023, the highest average monthly occupancy rate for this property was 93.5%, occurring in August 2023. The number of units at the Santa Fe Park RV Resort includes 120 RV spaces and four apartments.
- (11) Average occupancy represents the percentage of available units that were sold during the three months ended December 31, 2023, and is calculated by dividing the number of units sold by the product of the total number of units and the total number of days in the period. Average daily rate represents the average rate paid for the units sold and is calculated by dividing the total room revenue (i.e., excluding food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services) for the three months ended December 31, 2023 by the number of units sold. Revenue per available room, or RevPAR, represents the total unit revenue per total available units for the three months ended December 31, 2023 and is calculated by multiplying average occupancy by the average daily rate. RevPAR does not include food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services.

OFFICE LEASING SUMMARY

As of December 31, 2023

Total Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	7	100%	22,837	\$55.00	\$44.93	\$ 229,839	22.4 %	30.1 %	3.8	\$ 444,742	\$19.47
3rd Quarter 2023	7	100%	62,963	\$59.45	\$55.57	\$ 244,588	7.0 %	13.5 %	7.6	\$ 4,785,515	\$76.01
2nd Quarter 2023	12	100%	119,307	\$82.89	\$85.93	\$ (362,425)	(3.5)%	4.5 %	4.6	\$ 5,407,994	\$45.33
1st Quarter 2023	8	100%	56,139	\$60.18	\$54.67	\$ 309,262	10.1 %	22.5 %	5.2	\$ 2,731,132	\$48.65
Total 12 months	34	100%	261,246	\$69.92	\$68.31	\$ 421,264	2.4 %	10.8 %	5.4	\$ 13,369,383	\$51.18

New Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	2	29%	6,664	\$62.90	\$34.13	\$ 191,701	84.3 %	85.0 %	3.9	\$ 61,542	\$9.23
3rd Quarter 2023	2	29%	27,388	\$61.46	\$56.00	\$ 149,586	9.8 %	12.7 %	9.3	\$ 2,813,360	\$102.72
2nd Quarter 2023	3	25%	6,431	\$40.42	\$32.86	\$ 48,626	23.0 %	19.6 %	3.8	\$ 194,677	\$30.27
1st Quarter 2023	1	13%	2,256	\$46.80	\$37.98	\$ 19,899	23.2 %	20.6 %	5.3	\$ 128,811	\$57.10
Total 12 months	8	24%	42,739	\$57.74	\$48.16	\$ 409,812	19.9 %	21.8 %	7.4	\$ 3,198,390	\$74.83

Renewal Lease Summary - Comparable ⁽¹⁾⁽⁵⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	5	71%	16,173	\$51.75	\$49.39	\$ 38,138	4.8 %	13.6 %	3.7	\$ 383,200	\$23.69
3rd Quarter 2023	5	71%	35,575	\$57.90	\$55.23	\$ 95,002	4.8 %	14.2 %	6.4	\$ 1,972,155	\$55.44
2nd Quarter 2023	9	75%	112,876	\$85.31	\$88.95	\$ (411,051)	(4.1)%	4.2 %	4.7	\$ 5,213,317	\$46.19
1st Quarter 2023	7	88%	53,883	\$60.74	\$55.37	\$ 289,363	9.7 %	22.6 %	5.2	\$ 2,602,321	\$48.30
Total 12 months	26	76%	218,507	\$72.30	\$72.25	\$ 11,452	0.1 %	9.3 %	5.0	\$ 10,170,993	\$46.55

Total Lease Summary - Comparable and Non-Comparable

Quarter	Number of Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	11	35,110	\$53.17	3.8	\$ 4,944,742	\$140.84
3rd Quarter 2023	10	87,081	\$58.77	7.9	\$ 7,764,240	\$89.16
2nd Quarter 2023	13	120,365	\$82.50	4.6	\$ 5,410,110	\$44.95
1st Quarter 2023	15	79,862	\$56.36	4.9	\$ 3,613,519	\$45.25
Total 12 months	49	322,418	\$66.42	5.5	\$ 21,732,611	\$67.41

Notes:

- (1) Comparable leases represent those leases signed on spaces for which there was a previous lease.
- (2) Contractual rent represents contractual minimum rent under the new lease for the first twelve months of the term.
- (3) Prior rent represents the minimum rent paid under the previous lease in the final twelve months of the term.
- (4) Weighted average is calculated on the basis of square footage.
- (5) Includes renewals at fixed contractual rates specified in the lease.

RETAIL LEASING SUMMARY

As of December 31, 2023

Total Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	18	100%	108,260	\$31.29	\$29.31	\$ 214,362	6.8 %	12.8 %	5.2	\$ 80,000	\$0.74
3rd Quarter 2023	25	100%	131,839	\$33.70	\$30.65	\$ 329,613	8.2 %	18.7 %	6.6	\$ 2,208,260	\$16.75
2nd Quarter 2023	20	100%	96,955	\$34.14	\$33.18	\$ 93,178	2.9 %	2.1 %	4.7	\$ 10,000	\$0.10
1st Quarter 2023	12	100%	30,756	\$48.74	\$44.50	\$ 130,496	9.5 %	27.7 %	6.2	\$ 428,200	\$13.92
Total 12 months	75	100%	367,810	\$34.36	\$32.08	\$ 767,649	6.5 %	15.4 %	5.7	\$ 2,726,460	\$7.41

New Lease Summary - Comparable ⁽¹⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	1	6%	1,036	174	92.66	84,264	87.8 %	— %	5.0	\$ 65,000	\$62.74
3rd Quarter 2023	—	—	—	—	—	—	— %	— %	—	—	—
2nd Quarter 2023	—	—	—	—	—	—	— %	— %	—	—	—
1st Quarter 2023	1	8	1,598	40.5	27.27	21,135	48.5 %	145.7 % ⁽⁶⁾	7.0	\$ 15,000	\$9.39
Total 12 months	2	3%	2,634	\$93.01	\$52.99	\$ 105,399	75.5 %	145.7 %	6.2	\$ 80,000	\$30.37

Renewal Lease Summary - Comparable ⁽¹⁾⁽⁵⁾

Quarter	Number of Leases Signed	% of Comparable Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Prior Rent Per Sq. Ft. ⁽³⁾	Annual Change in Rent	Cash Basis % Change Over Prior Rent	Straight-Line Basis % Change Over Prior Rent	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	17	94%	107,224	\$29.91	\$28.70	\$ 130,098	4.2 %	12.8 %	5.2	\$ 15,000	\$0.14
3rd Quarter 2023	25	100%	131,839	\$33.70	\$30.65	\$ 329,613	8.2 %	18.7 %	6.6	\$ 2,208,260	\$16.75
2nd Quarter 2023	20	100%	96,955	\$34.14	\$33.18	\$ 93,178	2.9 %	2.1 %	4.7	\$ 10,000	\$0.10
1st Quarter 2023	11	92%	29,158	\$49.20	\$45.45	\$ 109,361	8.3 %	22.7 %	6.2	\$ 413,200	\$14.17
Total 12 months	73	97%	365,176	\$33.94	\$31.93	\$ 662,250	5.7 %	14.7 %	5.7	\$ 2,646,460	\$7.25

Total Lease Summary - Comparable and Non-Comparable ⁽¹⁾

Quarter	Number of Leases Signed	Net Rentable Square Feet Signed	Contractual Rent Per Sq. Ft. ⁽²⁾	Weighted Average Lease Term ⁽⁴⁾	Tenant Improvements & Incentives	Tenant Improvements & Incentives Per Sq. Ft.
4th Quarter 2023	21	112,065	\$31.80	5.1	\$ 305,000	\$2.72
3rd Quarter 2023	28	135,535	\$34.30	6.6	\$ 2,446,835	\$18.05
2nd Quarter 2023	21	121,955	\$30.83	5.8	\$ 3,360,000	\$27.55
1st Quarter 2023	16	35,589	\$52.66	6.1	\$ 586,200	\$16.47
Total 12 months	86	405,144	\$34.18	5.9	\$ 6,698,035	\$16.53

Notes:

- (1) Comparable leases represent those leases signed on spaces for which there was a previous lease, including leases signed for the retail portion of our mixed-use property.
- (2) Contractual rent represents contractual minimum rent under the new lease for the first twelve months of the term.
- (3) Prior rent represents the minimum rent paid under the previous lease in the final twelve months of the term.
- (4) Weighted average is calculated on the basis of square footage.
- (5) Includes renewals at fixed contractual rates specified in the lease.
- (6) Prior tenants' rent was modified to cash-basis, therefore there is no straight-line rent for comparison.

MULTIFAMILY LEASING SUMMARY

As of December 31, 2023

Lease Summary - Loma Palisades

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	519	94.7%	\$17,026,908	\$2,734
3rd Quarter 2023	511	93.3%	\$17,009,628	\$2,772
2nd Quarter 2023	510	93.1%	\$16,755,024	\$2,737
1st Quarter 2023	522	95.3%	\$16,533,012	\$2,638

Lease Summary - Imperial Beach Gardens

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	148	92.5%	\$4,703,988	\$2,649
3rd Quarter 2023	152	95.0%	\$4,808,556	\$2,636
2nd Quarter 2023	154	96.3%	\$4,612,428	\$2,495
1st Quarter 2023	147	91.9%	\$4,457,952	\$2,526

Lease Summary - Mariner's Point

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	77	87.5%	\$2,288,280	\$2,476
3rd Quarter 2023	83	94.3%	\$2,309,616	\$2,319
2nd Quarter 2023	86	97.7%	\$2,353,596	\$2,281
1st Quarter 2023	83	94.3%	\$2,358,588	\$2,369

Lease Summary - Santa Fe Park RV Resort

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	105	84.7%	\$1,521,684	\$1,207
3rd Quarter 2023	96	77.4%	\$1,699,872	\$1,476
2nd Quarter 2023	108	87.1%	\$2,312,868	\$1,785
1st Quarter 2023	101	81.5%	\$1,884,216	\$1,554

Lease Summary - Pacific Ridge Apartments

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	501	94.0%	\$23,798,100	\$3,958
3rd Quarter 2023	474	88.9%	\$23,238,756	\$4,087
2nd Quarter 2023	367	68.9%	\$17,518,836	\$3,975
1st Quarter 2023	493	92.5%	\$22,314,864	\$3,772

MULTIFAMILY LEASING SUMMARY (CONTINUED)

As of December 31, 2023

Lease Summary - Hassalo on Eighth - Velomor

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	170	96.1%	\$3,329,628	\$1,631
3rd Quarter 2023	154	87.0%	\$3,003,696	\$1,625
2nd Quarter 2023	158	89.3%	\$3,088,440	\$1,628
1st Quarter 2023	169	95.5%	\$3,120,420	\$1,538

Lease Summary - Hassalo on Eighth - Aster Tower

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	298	88.4%	\$6,036,279	\$1,689
3rd Quarter 2023	292	86.7%	\$5,938,488	\$1,694
2nd Quarter 2023	300	89.0%	\$5,894,628	\$1,638
1st Quarter 2023	302	89.6%	\$6,220,644	\$1,717

Lease Summary - Hassalo on Eighth - Elwood

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	130	90.9%	\$2,507,436	\$1,607
3rd Quarter 2023	126	88.1%	\$2,427,120	\$1,605
2nd Quarter 2023	130	90.9%	\$2,402,484	\$1,540
1st Quarter 2023	119	83.2%	\$2,285,124	\$1,601

Total Multifamily Lease Summary

Quarter	Number of Leased Units ⁽¹⁾	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Average Monthly Base Rent per Leased Unit ⁽³⁾
4th Quarter 2023	1,948	92.3%	\$61,212,303	\$2,619
3rd Quarter 2023	1,888	89.5%	\$60,435,732	\$2,667
2nd Quarter 2023	1,813	85.9%	\$54,938,304	\$2,526
1st Quarter 2023	1,936	91.8%	\$59,174,820	\$2,546

Notes:

- (1) Number of leased units and percentage leased for our multifamily properties includes total units rented and occupied as of each respective quarter end date.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) as of each respective quarter end date.
- (3) Annualized base rent per leased unit is calculated by dividing annualized base rent, by units under lease as of each respective quarter end date.

As of December 31, 2023

Lease Summary - Retail Portion

Quarter	Number of Leased Square Feet	Percentage leased ⁽¹⁾	Annualized Base Rent ⁽²⁾	Annualized Base Rent per Leased Square Foot ⁽³⁾
4th Quarter 2023	89,329	95.1%	\$9,545,747	\$107
3rd Quarter 2023	89,329	95.1%	\$9,542,378	\$107
2nd Quarter 2023	88,856	94.6%	\$9,505,364	\$107
1st Quarter 2023	89,206	95.0%	\$9,184,583	\$103

Lease Summary - Hotel Portion

Quarter	Number of Leased Units	Average Occupancy ⁽⁴⁾	Average Daily Rate ⁽⁴⁾	Annualized Revenue per Available Room ⁽⁴⁾
4th Quarter 2023	314	85.2%	\$362	\$309
3rd Quarter 2023	330	89.3%	\$392	\$350
2nd Quarter 2023	311	84.4%	\$370	\$312
1st Quarter 2023	302	81.9%	\$368	\$302

Notes:

- (1) Percentage leased for mixed-use property includes square footage under leases as of December 31, 2023, including leases which may not have commenced as of December 31, 2023.
- (2) Annualized base rent is calculated by multiplying base rental payments (defined as cash base rents (before abatements)) for the month ended December 31, 2023 by 12. In the case of triple net or modified gross leases, annualized base rent does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses.
- (3) Annualized base rent per leased square foot is calculated by dividing annualized base rent, by square footage under lease as of December 31, 2023.
- (4) Average occupancy represents the percentage of available units that were sold during the three months ended December 31, 2023, and is calculated by dividing the number of units sold by the product of the total number of units and the total number of days in the period. Average daily rate represents the average rate paid for the units sold and is calculated by dividing the total room revenue (i.e., excluding food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services) for each respective quarter period by the number of units sold. Revenue per available room, or RevPAR, represents the total unit revenue per total available units for each respective quarter period and is calculated by multiplying average occupancy by the average daily rate. RevPAR does not include food and beverage revenues or other hotel operations revenues such as telephone, parking and other guest services.

LEASE EXPIRATIONS

As of December 31,
2023

Assumes no exercise of lease options

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring Sq. Ft.	% of	% of	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	% of	% of	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	% of	% of	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾
		Office Sq. Ft.	Total Sq. Ft.			Retail Sq. Ft.	Total Sq. Ft.			Mixed-Use Sq. Ft.	Total Sq. Ft.				
Month to Month	63,541	1.6 %	0.9 %	\$7.07	14,849	0.5 %	0.2 %	\$38.29	8,789	9.4 %	0.1 %	\$19.65	87,179	1.2 %	\$13.66
2024	310,512	7.7	4.3	\$46.86	191,095	6.2	2.6	\$40.43	10,121	10.8	0.1	\$118.07	511,728	7.1	\$45.87
2025	323,884	8.0	4.5	\$40.09	299,774	9.7	4.1	\$29.39	24,856	26.5	0.3	\$87.05	648,514	9.0	\$36.94
2026	391,534	9.6	5.4	\$43.92	301,433	9.7	4.2	\$33.73	6,588	7.0	0.1	\$159.18	699,555	9.7	\$40.61
2027	418,290	10.3	5.8	\$54.28	442,940	14.3	6.1	\$29.73	4,614	4.9	0.1	\$137.74	865,844	12.0	\$42.17
2028	403,189	9.9	5.6	\$61.74	729,197	23.6	10.1	\$18.88	9,830	10.5	0.1	\$169.05	1,142,216	15.8	\$35.30
2029	873,384	21.5	12.1	\$63.96	355,130	11.5	4.9	\$22.74	3,156	3.4	—	\$201.12	1,231,670	17.0	\$52.43
2030	274,913	6.8	3.8	\$41.68	45,228	1.5	0.6	\$37.61	—	—	—	—	320,141	4.4	\$41.11
2031	158,800	3.9	2.2	\$44.46	154,119	5.0	2.1	\$23.55	14,965	15.9	0.2	114.34	327,884	4.5	\$37.82
2032	63,730	1.6	0.9	\$40.67	146,772	4.7	2.0	\$28.86	—	—	—	—	210,502	2.9	\$32.44
2033	60,445	1.5	0.8	\$62.78	51,147	1.7	0.7	\$38.83	5,374	5.7	0.1	60.00	116,966	1.6	\$52.18
Thereafter	135,260	3.3	1.9	\$58.69	151,701	4.9	2.1	\$21.63	—	—	—	—	286,961	4.0	\$39.10
Signed Leases Not Commenced	14,214	0.4	0.2	—	31,501	1.0	0.4	—	1,036	1.1	—	—	46,751	0.6	—
Available	566,827	14.0	7.8	—	177,730	5.7	2.5	—	4,596	4.9	0.1	—	749,153	10.2	—
Total ⁽²⁾	4,058,523	100.0 %	56.0 %	\$44.72	3,092,616	100.0 %	42.7 %	\$24.94	93,925	100.0 %	1.3 %	\$101.63	7,245,064	100.0 %	\$37.01

Assumes all lease options are exercised

Year	Office				Retail				Mixed-Use (Retail Portion Only)				Total		
	Expiring Sq. Ft.	% of	% of	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	% of	% of	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	% of	% of	Annualized Base Rent Per Sq. Ft. ⁽¹⁾	Expiring Sq. Ft.	Total Sq. Ft.	Base Rent Per Sq. Ft. ⁽¹⁾
		Office Sq. Ft.	Total Sq. Ft.			Retail Sq. Ft.	Total Sq. Ft.			Mixed-Use Sq. Ft.	Total Sq. Ft.				
Month to Month	63,541	1.6 %	0.9 %	\$7.07	14,849	0.5 %	0.2 %	\$38.29	8,789	9.4 %	0.1 %	\$19.65	87,179	1.2 %	\$13.66
2024	131,121	3.2	1.8	\$53.20	126,820	4.1	1.8	\$40.75	4,719	5.0	0.1	\$151.28	262,660	3.6	\$48.95
2025	112,061	2.8	1.5	\$46.19	128,646	4.2	1.8	\$29.46	13,298	14.2	0.2	\$125.34	254,005	3.5	\$41.86
2026	78,239	1.9	1.1	\$37.40	82,850	2.7	1.1	\$41.46	3,547	3.8	—	\$167.05	164,636	2.3	\$42.24
2027	98,033	2.4	1.4	\$45.61	177,478	5.7	2.4	\$30.74	3,703	3.9	0.1	\$149.49	279,214	3.9	\$37.54
2028	97,444	2.4	1.3	\$45.09	112,368	3.6	1.6	\$31.48	2,916	3.1	—	\$212.08	212,728	2.9	\$40.19
2029	190,762	4.7	2.6	\$44.94	97,754	3.2	1.3	\$29.05	8,558	9.1	0.1	\$130.38	297,074	4.1	\$42.17
2030	235,972	5.8	3.3	\$36.45	66,790	2.2	0.9	\$35.56	11,558	12.3	0.2	\$43.00	314,320	4.3	\$36.50
2031	236,920	5.8	3.3	\$51.22	56,861	1.8	0.8	\$47.05	18,006	19.2	0.2	\$120.36	311,787	4.3	\$54.45
2032	287,353	7.1	4.0	\$50.14	192,842	6.2	2.7	\$27.85	911	1.0	—	\$90.00	481,106	6.6	\$41.28
2033	256,177	6.3	3.5	\$70.49	200,940	6.5	2.8	\$22.77	6,914	7.4	0.1	\$150.90	464,031	6.4	\$51.02
Thereafter	1,689,859	41.6	23.3	\$56.41	1,625,187	52.6	22.4	\$22.97	5,374	5.7	0.1	\$60.00	3,320,420	45.8	\$40.05
Signed Leases Not Commenced	14,214	0.4	0.2	—	31,501	1.0	0.4	—	1,036	1.1	—	—	46,751	0.6	—
Available	566,827	14.0	7.8	—	177,730	5.7	2.5	—	4,596	4.9	0.1	—	749,153	10.3	—
Total ⁽²⁾	4,058,523	100.0 %	56.0 %	\$44.72	3,092,616	100.0 %	42.7 %	\$24.94	93,925	100.0 %	1.3 %	\$101.63	7,245,064	100.0 %	\$37.01

As of December 31, 2023

Notes:

- (1) Annualized base rent per leased square foot is calculated by dividing (i) annualized base rent for leases expiring during the applicable period, by (ii) square footage under such expiring leases. Annualized base rent is calculated by multiplying (i) base rental payments (defined as cash base rents (before abatements)) for the month ended December 31, 2023 for the leases expiring during the applicable period by (ii) 12 months.
- (2) Individual items may not add up to total due to rounding.

Type	At December 31, 2023			At December 31, 2022		
	Size	Leased ⁽¹⁾	Leased %	Size	Leased ⁽¹⁾	Leased %
Overall Portfolio⁽²⁾ Statistics						
Office Properties (square feet)	4,058,523	3,491,696	86.0 %	4,050,264	3,601,123	88.9 %
Retail Properties (square feet)	3,092,616	2,914,886	94.3 %	3,092,616	2,891,567	93.5 %
Multifamily Properties (units)	2,110	1,948	92.3 %	2,110	1,937	91.8 %
Mixed-Use Properties (square feet)	93,925	89,329	95.1 %	93,925	88,141	93.8 %
Mixed-Use Properties (units)	369	314 ⁽³⁾	85.2 %	369	284 ⁽³⁾	76.9 %
Same-Store⁽²⁾ Statistics						
Office Properties (square feet) ⁽⁴⁾	3,926,317	3,491,696	88.9 %	3,918,058	3,601,123	91.9 %
Retail Properties (square feet)	3,092,616	2,914,886	94.3 %	3,092,616	2,891,567	93.5 %
Multifamily Properties (units)	2,110	1,948	92.3 %	2,110	1,937	91.8 %
Mixed-Use Properties (square feet)	93,925	89,329	95.1 %	93,925	88,141	93.8 %
Mixed-Use Properties (units)	369	314 ⁽³⁾	85.2 %	369	284 ⁽³⁾	76.9 %

Notes:

- (1) Leased square feet includes square feet under lease as of each date, including leases which may not have commenced as of that date. Leased units for our multifamily properties include total units rented and occupied as of that date.
- (2) See Glossary of Terms.
- (3) Represents average occupancy for the year ended December 31, 2023 and 2022.
- (4) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.

As of December 31, 2023

Tenant	Property	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Office	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Office	Annualized Base Rent as a Percentage of Total
1 Google LLC	The Landmark at One Market	12/31/2029	253,198	6.2 %	3.5 %	\$ 26,420,853	13.5 %	9.3 %
2 LPL Holdings, Inc.	La Jolla Commons	4/30/2029	421,001	10.4	5.8	19,886,757	10.1	7.0
3 Autodesk, Inc. (1)	The Landmark at One Market	12/31/2027 12/31/2028	138,615	3.4	1.9	13,670,631	7.0	4.8
4 Smartsheet, Inc. (2)	City Center Bellevue	12/31/2026 4/30/2029	123,041	3.0	1.7	6,998,327	3.6	2.5
5 Illumina, Inc.	La Jolla Commons	10/31/2027	73,176	1.8	1.0	4,770,535	2.4	1.7
6 VMware, Inc.	City Center Bellevue	3/31/2028	75,000	1.8	1.0	4,559,084	2.3	1.6
7 Clearex Operating, LLC	First & Main	4/30/2025	101,848	2.5	1.4	3,483,504	1.8	1.2
8 Industrious (3)	City Center Bellevue	4/30/2033 3/31/2034	55,256	1.4	0.8	3,205,289	1.6	1.1
9 State of Oregon: Department of Environmental Quality	Lloyd Portfolio	10/31/2031	87,787	2.2	1.2	3,023,074	1.5	1.1
10 Top technology tenant (4)	La Jolla Commons	8/31/2030	40,800	1.0	0.6	2,521,440	1.3	0.9
Top 10 Office Tenants Total			1,369,722	33.7 %	18.9 %	\$ 88,539,494	45.1 %	31.2 %

Notes:

- (1) For Autodesk, Inc., 45,795 and 92,820 of leased square feet have a lease expiration of December 31, 2027 and 2028, respectively.
(2) For Smartsheet, Inc., 73,669 and 49,372 of leased square feet have a lease expiration of December 31, 2026 and April 30, 2029, respectively.
(3) For Industrious, 18,090 and 37,166 of leased square feet have a lease expiration of April 30, 2033 and March 31, 2034, respectively.
(4) Name withheld per tenant's request.

As of December 31, 2023

Tenant	Property(ies)	Lease Expiration	Total Leased Square Feet	Rentable Square Feet as a Percentage of Total Retail	Rentable Square Feet as a Percentage of Total	Annualized Base Rent	Annualized Base Rent as a Percentage of Total Retail	Annualized Base Rent as a Percentage of Total
1 Lowe's	Waikele Center	5/31/2028	155,000	5.0 %	2.1 %	\$ 4,092,000	5.3 %	1.4 %
2 Sprouts Farmers Market (1)	Carmel Mountain Plaza, Solana Beach Towne Centre, Geary Marketplace	3/31/2025 6/30/2029 9/30/2032	71,431	2.3	1.0	2,121,187	2.8	0.7
3 Nordstrom Rack (2)	Carmel Mountain Plaza, Alamo Quarry Market	9/30/2027 10/31/2027	69,047	2.2	1.0	1,804,269	2.3	0.6
4 Marshalls (3)	Solana Beach Towne Centre, Carmel Mountain Plaza	1/31/2025 1/31/2029	68,055	2.2	0.9	1,728,228	2.2	0.6
5 Vons	Lomas Santa Fe Plaza	12/31/2027	49,895	1.6	0.7	1,609,086	2.1	0.6
6 At Home Stores	Carmel Mountain Plaza	7/31/2029	107,870	3.5	1.5	1,384,552	1.8	0.5
7 Old Navy (4)	Alamo Quarry Market, Southbay Marketplace, Waikele Center	9/30/2024 4/30/2028 7/31/2030	52,936	1.7	0.7	1,274,461	1.7	0.5
8 Safeway	Waikele Center	1/31/2040	50,050	1.6	0.7	1,201,200	1.6	0.4
9 Michaels (5)	Alamo Quarry Market, Carmel Mountain Plaza	2/29/2028 1/31/2029	46,850	1.5	0.6	1,124,218	1.5	0.4
10 Inspire Church	Waikele Center	1/31/2027	50,000	1.6	0.7	1,074,647	1.4	0.4
Top 10 Retail Tenants Total			721,134	23.2 %	9.9 %	\$ 17,413,848	22.7 %	6.1 %

Notes:

- (1) For Sprouts Farmers Market, 30,973, 14,986 and 25,472 of leased square feet have a lease expiration of March 31, 2025 (Carmel Mountain Plaza), June 30, 2029 (Solana Beach Towne Centre) and September 30, 2032 (Geary Marketplace), respectively.
- (2) For Nordstrom Rack, 39,047 and 30,000 of leased square feet have a lease expiration of September 30, 2027 (Carmel Mountain Plaza) and October 31, 2027 (Alamo Quarry Market), respectively.
- (3) For Marshalls, 39,295 and 28,760 of leased square feet have a lease expiration of January 31, 2025 (Solana Beach Towne Centre) and 2029 (Carmel Mountain Plaza), respectively.
- (4) For Old Navy, 15,021, 20,000 and 17,915 of leased square feet have a lease expiration of September 30, 2024 (Alamo Quarry Market), April 30, 2028 (Southbay Marketplace) and July 31, 2030 (Waikele Center), respectively.
- (5) For Michaels, 23,881 and 22,969 of leased square feet have a lease expiration of February 29, 2028 (Alamo Quarry Market) and January 31, 2029 (Carmel Mountain Plaza), respectively.

APPENDIX

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA): EBITDA is a non-GAAP measure that means net income or loss plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate and impairments of real estate, if any. EBITDA is presented because it approximates a key performance measure in our debt covenants, but it should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP. The reconciliation of net income to EBITDA for the three months and year ended December 31, 2023 and 2022 is as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877
Depreciation and amortization	29,908	30,110	119,500	123,338
Interest expense, net	16,284	14,565	64,706	58,232
Interest income	(668)	(108)	(2,175)	(225)
Income tax expense	291	210	1,041	850
EBITDA	\$ 59,307	\$ 57,183	\$ 247,762	\$ 238,072

Adjusted EBITDA: Adjusted EBITDA is a non-GAAP measure that begins with EBITDA and includes adjustments for certain items that we believe are not representative of ongoing operating performance. Specifically, we include an early extinguishment of debt adjustment and pro forma adjustment to reflect a full period of NOI on the operating properties we acquire during the quarter, to assume all transactions occurred at the beginning of the quarter. We use Adjusted EBITDA as a supplemental performance measure because we believe these items create significant earnings volatility which in turn results in less comparability between reporting periods and less predictability regarding future earnings potential.

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
EBITDA	\$ 59,307	\$ 57,183	\$ 247,762	\$ 238,072
Pro forma adjustments	—	—	—	—
Adjusted EBITDA	\$ 59,307	\$ 57,183	\$ 247,762	\$ 238,072

Earnings Before Interest, Taxes, Depreciation, and Amortization for Real Estate (EBITDA_{re}): EBITDA_{re} is a supplemental non-GAAP measure of real estate companies' operating performances. The National Association of Real Estate Investment Trusts (NAREIT) defines EBITDA_{re} as follows: net income or loss, computed in accordance with GAAP plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate including gain or loss on change of control, impairments of real estate, and adjustments to reflect the entity's share of EBITDA_{re} of unconsolidated affiliates, if any. EBITDA_{re} is presented because it approximates a key performance measure in our debt covenants, but it should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP. The reconciliation of net income to EBITDA_{re} for the three months and year ended December 31, 2023 and 2022 is as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877
Depreciation and amortization	29,908	30,110	119,500	123,338
Interest expense, net	16,284	14,565	64,706	58,232
Interest income	(668)	(108)	(2,175)	(225)
Income tax expense	291	210	1,041	850
EBITDA _{re}	\$ 59,307	\$ 57,183	\$ 247,762	\$ 238,072

Funds From Operations (FFO): FFO is a supplemental measure of real estate companies' operating performances. NAREIT defines FFO as follows: net income, computed in accordance with GAAP plus depreciation and amortization of real estate assets and excluding extraordinary items, gains and losses on sale of real estate and impairment losses. NAREIT developed FFO as a relative measure of performance and liquidity of an equity REIT in order to recognize that the value of income-producing real estate historically has not depreciated on the basis determined under GAAP. However, FFO does not represent cash flows from operating activities in accordance with GAAP (which, unlike FFO, generally reflects all cash effects of transactions and other events in the determination of net income); should not be considered an alternative to net income as an indication of our performance; and is not necessarily indicative of cash flow as a measure of liquidity or ability to pay dividends. We consider FFO a meaningful, additional measure of operating performance primarily because it excludes the assumption that the value of real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. Comparison of our presentation of FFO to similarly titled measures for other REITs may not necessarily be meaningful due to possible differences in the application of the NAREIT definition used by such REITs.

Funds Available for Distribution (FAD): FAD is a supplemental measure of our liquidity. We compute FAD by subtracting from FFO As Adjusted tenant improvements, leasing commissions and maintenance capital expenditures, eliminating the net effect of straight-line rents, amortization of above (below) market rents for acquisition properties, the effects of other lease intangibles, adding noncash amortization of deferred financing costs and debt fair value adjustments, adding noncash compensation expense, and adding (subtracting) unrealized losses (gains) on marketable securities. FAD provides an additional perspective on our ability to fund cash needs and make distributions by adjusting FFO for the impact of certain cash and noncash items, as well as adjusting FFO for recurring capital expenditures and leasing costs. However, other REITs may use different methodologies for calculating FAD and, accordingly, our FAD may not be comparable to other REITs.

Net Operating Income (NOI): We define NOI as operating revenues (rental income, tenant reimbursements, lease termination fees, ground lease rental income and other property income) less property and related expenses (property expenses, ground lease expense, property marketing costs, real estate taxes and insurance). NOI excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expense, other nonproperty income and losses, gains and losses from property dispositions, extraordinary items, tenant improvements and leasing commissions. Other REITs may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to other REITs. Since NOI excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expenses, other nonproperty income and losses, gains and losses from property dispositions, and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate and the impact to operations from trends in occupancy rates, rental rates, and operating costs, providing a perspective on operations not immediately apparent from net income. However, NOI should not be viewed as an alternative measure of our financial performance since it does not reflect general and administrative expenses, interest expense, depreciation and amortization costs, other nonproperty income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of the properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact our results from operations.

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Reconciliation of NOI to net income				
Total NOI	\$ 68,779	\$ 66,196	\$ 277,207	\$ 270,215
General and administrative	(9,472)	(9,013)	(35,960)	(32,143)
Depreciation and amortization	(29,908)	(30,110)	(119,500)	(123,338)
Operating Income	\$ 29,399	\$ 27,073	\$ 121,747	\$ 114,734
Interest expense, net	(16,284)	(14,565)	(64,706)	(58,232)
Other income (expense), net	377	(102)	7,649	(625)
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877
Net income attributable to restricted shares	(193)	(184)	(761)	(648)
Net income attributable to unitholders in the Operating Partnership	(2,818)	(2,593)	(13,551)	(11,723)
Net income attributable to American Assets Trust, Inc. stockholders	\$ 10,481	\$ 9,629	\$ 50,378	\$ 43,506

Overall Portfolio: Includes all operating properties owned by us as of December 31, 2023.

Cash NOI: We define cash NOI as operating revenues (rental income, tenant reimbursements, lease termination fees, ground lease rental income and other property income) less property and related expenses (property expenses, ground lease expense, property marketing costs, real estate taxes and insurance), adjusted for non-cash revenue and operating expense items such as straight-line rent, amortization of lease intangibles, amortization of lease incentives and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, interest expense, other non-property income and losses, acquisition-related expense, gains and losses from property dispositions, extraordinary items, tenant improvements, and leasing commissions. Other REITs may use different methodologies for calculating cash NOI, and accordingly, our cash NOI may not be comparable to the cash NOIs of other REITs. We believe cash NOI provides useful information to investors regarding the company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the company's properties as this measure is not affected by (1) the non-cash revenue and expense recognition items, (2) the cost of funds of the property owner, (3) the impact of depreciation and amortization expenses as well as gains or losses from the sale of operating real estate assets that are included in net income computed in accordance with GAAP or (4) general and administrative expenses and other gains and losses that are specific to the property owner. We believe the exclusion of these items from net (loss) income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the company's properties as well as trends in occupancy rates, rental rates and operating costs. Cash NOI is a measure of the operating performance of the company's properties but does not measure the company's performance as a whole. Cash NOI is therefore not a substitute for net income as computed in accordance with GAAP. A Reconciliation of Total Cash NOI to Operating Income is presented below:

Reconciliation of Total Cash NOI to Net Income	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Total Cash NOI	\$ 67,696	\$ 65,799	\$ 270,184	\$ 261,101
Non-cash revenue and other operating expenses ⁽¹⁾	1,083	397	7,023	9,114
General and administrative	(9,472)	(9,013)	(35,960)	(32,143)
Depreciation and amortization	(29,908)	(30,110)	(119,500)	(123,338)
Operating income	\$ 29,399	\$ 27,073	\$ 121,747	\$ 114,734
Interest expense, net	(16,284)	(14,565)	(64,706)	(58,232)
Other income (expense), net	377	(102)	7,649	(625)
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877

(1) Represents adjustments related to the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances; the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles, and straight-line rent expense for our leases of the Annex at The Landmark at One Market.

Same-Store Cash NOI Comparison with Redevelopment: As noted below in the definition of Same-Store, Non-Same Store and Redevelopment Same-Store, information provided on a redevelopment same-store basis includes the results of properties undergoing significant redevelopment for the entirety or portion of both periods being compared. Redevelopment same-store is considered by management to be an important measure because it assists in eliminating disparities due to the redevelopment of properties during the particular period presented, and thus provides a more consistent performance measure for the comparison of the company's stabilized and redevelopment properties, as applicable. Additionally, redevelopment same-store is considered by management to be an important measure because it assists in evaluating the timing of the start and stabilization of our redevelopment opportunities and the impact that these redevelopments have in enhancing our operating performance. We present Same-Store Cash NOI Comparison with Redevelopment using cash NOI to evaluate and compare the operating performance of the company's properties, as defined above. A reconciliation of Same-Store Cash NOI Comparison with Redevelopment on a cash basis to operating income is presented below:

	Three Months Ended ⁽¹⁾		Year Ended ⁽²⁾	
	December 31,		December 31,	
	2023	2022	2023	2022
Reconciliation of Same-Store Cash NOI Comparison with Redevelopment to Operating Income				
Same-Store Cash NOI	\$ 67,623	\$ 65,936	\$ 268,514	\$ 256,939
Redevelopment Cash NOI ⁽³⁾	(155)	(169)	(658)	(474)
Same-Store Cash NOI with Redevelopment	67,468	65,767	267,856	256,465
Tenant improvement reimbursements	505	134	1,104	3,604
Total Same-Store Cash NOI with Redevelopment	\$ 67,973	\$ 65,901	\$ 268,960	\$ 260,069
Non-Same Store Cash NOI	(277)	(102)	1,224	1,032
Total Cash NOI	\$ 67,696	\$ 65,799	\$ 270,184	\$ 261,101
Non-cash revenue and other operating expenses ⁽⁴⁾	1,083	397	7,023	9,114
General and administrative	(9,472)	(9,013)	(35,960)	(32,143)
Depreciation and amortization	(29,908)	(30,110)	(119,500)	(123,338)
Operating income	\$ 29,399	\$ 27,073	\$ 121,747	\$ 114,734
Interest expense, net	(16,284)	(14,565)	(64,706)	(58,232)
Other income (expense), net	377	(102)	7,649	(625)
Net income	\$ 13,492	\$ 12,406	\$ 64,690	\$ 55,877

- (1) Same-store portfolio includes Bel-Spring 520 which was acquired on March 8, 2022. Same-store portfolio excludes (i) One Beach Street due to significant redevelopment activity; (ii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iii) land held for development.
- (2) Same-store portfolio excludes (i) One Beach Street, due to significant redevelopment activity; (ii) Bel-Spring 520 which was acquired on March 8, 2022; (iii) the 710 building at Lloyd Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and (iv) land held for development.
- (3) Redevelopment property refers to One Beach Street, the 710 building at Lloyd District Portfolio which was placed into operations on November 1, 2022, approximately one year after completing renovations of the building and Lloyd Portfolio - Land.
- (4) Represents adjustments related to the straight-line rent income recognized during the period offset by cash received during the period and the provision for bad debts recorded for deferred rent receivable balances; the amortization of above (below) market rents, the amortization of lease incentives paid to tenants, the amortization of other lease intangibles and straight-line rent expense for our leases of the Annex at The Landmark at One Market.

Same-Store Portfolio, Non-Same Store Portfolio and Redevelopment Same-Store: Information provided on a same-store basis includes the results of properties that we owned and operated for the entirety of both periods being compared except for properties for which significant redevelopment or expansion occurred during either of the periods being compared, properties under development, properties classified as held for development and properties classified as discontinued operations. Information provided on a redevelopment same-store basis includes the results of properties undergoing significant redevelopment for the entirety or portion of both periods being compared. The following table shows the properties included in the same-store, non-same store and redevelopment same-store portfolio for the comparative periods presented.

	Comparison of Three Months Ended December 31, 2023 to 2022			Comparison of Year Ended December 31, 2023 to 2022		
	Same-Store	Non Same-Store	Redevelopment Same-Store	Same-Store	Non Same-Store	Redevelopment Same-Store
Office Properties						
La Jolla Commons	X		X	X		
Torrey Reserve Campus	X		X	X		X
Torrey Point	X		X	X		X
Solana Crossing (formerly Solana Beach Corporate Centre)	X		X	X		X
The Landmark at One Market	X		X	X		X
One Beach Street		X	X		X	X
First & Main	X		X	X		X
Lloyd Portfolio ⁽¹⁾	X	X	X	X	X	X
City Center Bellevue	X		X	X		X
Eastgate Office Park	X		X	X		X
Corporate Campus East III	X		X	X		X
Bel-Spring 520	X		X		X	
Retail Properties						
Carmel Country Plaza	X		X	X		X
Carmel Mountain Plaza	X		X	X		X
South Bay Marketplace	X		X	X		X
Gateway Marketplace	X		X	X		X
Lomas Santa Fe Plaza	X		X	X		X
Solana Beach Towne Centre	X		X	X		X
Del Monte Center	X		X	X		X
Geary Marketplace	X		X	X		X
The Shops at Kalakaua	X		X	X		X
Waikele Center	X		X	X		X
Alamo Quarry Market	X		X	X		X
Hassalo on Eighth - Retail	X		X	X		X
Multifamily Properties						
Loma Palisades	X		X	X		X
Imperial Beach Gardens	X		X	X		X
Mariner's Point	X		X	X		X
Santa Fe Park RV Resort	X		X	X		X
Pacific Ridge Apartments	X		X	X		X
Hassalo on Eighth	X		X	X		X
Mixed-Use Properties						
Waikiki Beach Walk - Retail	X		X	X		X
Waikiki Beach Walk - Embassy Suites™	X		X	X		X
Development Properties						
La Jolla Commons - Land		X			X	
Solana Crossing - Land		X			X	
Lloyd Portfolio - Land		X	X		X	X

- (1) The 710 building at Lloyd Portfolio is considered non same-store and same-store redevelopment, since it was placed into operations on November 1, 2022, approximately one year after completing renovations of the building.

Tenant Improvements and Incentives: Represents not only the total dollars committed for the improvement (fit-out) of a space as it relates to a specific lease but may also include base building costs (i.e. expansion, escalators, new entrances, etc.) which are required to make the space leasable. Incentives include amounts paid to tenants as an inducement to sign a lease that do not represent building improvements.